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ROYAL COMMISSION

ON 44

PILOTAGE

HEARINGS

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MONTREAL

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ROYAL COMMISSION ON MARINE PILOTAGE

Proceedings of the hearing held
in the Windsor Hotel, Montreal,
Quebec, on Wednesday, the 5th
day of February, 1964.

COMMISSION:

The Honourable Mr. Justice Bernier	-	Chairman
Mr. Robert K. Smith	-	Member
Mr. Harold A. Renwick	-	Member
Mr. Gilbert Nadeau	-	Secretary

COMMISSION COUNSEL:

Mr. Maurice Jacques

PRESENT:

Mr. L. Langlois, Q.C.	for the Canadian Merchant Service Guild
Mr. J. Brisset, Q.C.	for the Shipping Federation of Canada
Mr. Marc Lalonde	for the Federation of St. Lawrence River Pilots; Corporation of the Lower St. Lawrence Pilots; the Corporation of the Montreal Harbour Pilots, the Corporation of the Mid-St. Lawrence Pilots; the Corporation of the St. Lawrence River and Seaway Pilots; the Corporation of the Upper St. Lawrence Pilots.



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INDEX TO EXHIBITS

<u>NO.</u>	<u>DESCRIPTION</u>	<u>PAGE</u>
923	Brief presented by the Lower St. Lawrence Gulf Development Association.	12499
924	Copy of letter dated October 11, 1962, from Captain Matheson to Captain F.S. Siocum.	12580
925	Samples of ice observations made by aerial survey, presented in facsimile-report form.	12607



INDEX TO WITNESSES

<u>NAME</u>	<u>PAGE</u>
<u>MacGREGOR, D.S.</u>	
Cross-Examination by Mr. Lalonde	12525
<u>COLLINSON, W.E.</u>	
Cross-Examination by Mr. Lalonde	12535
Cross-Examination by Mr. Jacques	12536
Cross-Examination by Mr. Lalonde	12538
<u>SEVERSON, LLOYD J.</u>	
Cross-Examination by Mr. Lalonde	12538
Examination by Mr. Jacques	12542
<u>GREENWOOD, CHARLES and MORIN, M.</u>	
Cross-Examination by Mr. Lalonde	12544
Examination by Mr. Jacques	12547
Further Cross-Examination by Mr. Lalonde	12547
<u>LALLEMAND, F.E.</u>	
Cross-Examination by Mr. Lalonde	12548
Examination by Mr. Jacques	12550
Further Cross-Examination by Mr. Lalonde	12551
<u>CAPTAIN MATHEWSON, JAMES EVAN</u>	
Direct Examination by Mr. Brisset	12561
Cross-Examination by Mr. Lalonde	12607



Montreal, Quebec
Wednesday 12497
February 5th, 1964

1 (English)

2 ---ON COMMENCING AT 10:00 A.M.

3

4 THE CHAIRMAN: Gentlemen, I am pleased to
5 welcome you this morning in return for our visit which
6 we made to you a little unexpectedly during the month of
7 May when there could have been some misunderstanding as
8 to our role. I therefore wish to explain that our main
9 function, as you know, is to gather evidence. We are
10 a fact finding body and therefore, in order to make
11 recommendations, we have to have facts. If we do not
12 have facts we cannot make our report because we are not
13 going to report on impressions or hearsay, on what some-
14 one told us, because our recommendations are too ~~flimsy~~
15 important to be based on such evidence. Therefore we
16 were requested in our terms of reference to report upon
17 the pilotage situation in Canada, not only the
18 organized pilotage by the Department of Transport but
19 on pilotage wherever it exists or wherever it may exist.
20 We have to cover all that in our report.

21 That is the reason why we went down the
22 Gulf and also the New Brunswick coast and Chaleur Bay.
23 Also in order to get the evidence we have to proceed as
24 in a court for a trial because that has proven by
25 experience to be the best way of obtaining evidence,
26 obtaining evidence under oath and with cross-examination.
27 In fact, that is the only way to get the facts and all
28 the aspects of the facts with the most security possible.
29 That is why we are proceeding in this way.

30 So far, as you know, we have been all across



1 (English)

2 Canada and now there remains only from Kingston up to
3 the Lakehead; all the other parts have been covered.

4 We will then resume in Ottawa for another final hearing
5 some time in May and June. Because we have been at one

6 place, that does not mean that the evidence is closed

7 as far as that is concerned; it is our inquiry and it

8 is up to us, the Commission, to get all the evidence

9 possible; it is not a trial. Of course, we are not

10 the ones who are living the pilotage facts and therefore

11 we need the help of everybody, of everyone who knows

12 something about it. It is a service to us if they can

13 help us in gathering those facts. So I am saying that

14 if we took you a little by surprise when we went there,

15 you may be assured it was in good faith on our part.

16 If you were not prepared because of that and did not

17 have all the facts at hand, you will be welcome at any

18 time when we are sitting anywhere to bring further

19 evidence which will be entered into our record. We

20 will be sitting here in Montreal for another two weeks

21 and then we will move to St. Catherine's and Toronto;

22 and then we will come back to Ottawa some time in May or

23 June. We hope that by that time these will be our

24 final hearings. You are welcome to bring further

25 evidence there or to any other place, but should you

26 wish to do so we would hope, just for organization

27 purposes that you will get in touch with our secretary

28 so you will be allotted the right time and thus there

29 will be no loss of time for anyone. We then intend to

30 adjourn for some months and to resume in the fall,



1 (English)

2 September or October, for argument, and only argument at
3 this time. This does not mean that you cannot bring
4 forward argument now. We have heard argument all across
5 Canada thus far. If you wish to present something
6 further at that time, you will be welcome as you are now
7 welcome to present some argument before the Commission.

8 MR. JACQUES: I would now file Exhibit 923,
9 a brief presented by the Lower St. Lawrence Gulf
10 Development Association.

11

12 ---EXHIBIT NO. 923: Brief presented by the
13 Lower St. Lawrence Gulf
14 Development Association.

15

16 Mr. Massue will present the brief on behalf
17 of the Association and he will develop the history of
18 various companies involved on the north shore. Then,
19 in turn, each company will present its arguments
20 through its representatives with reference to pilotage
21 in their various ports.

22

23 DR. HECTOR MASSUE: Following your meeting
24 on the north shore, the Lower St. Lawrence and Gulf
25 Development Association decided to present a brief in
26 the name of all the ports of the north shore, the ports
27 of Baie-Comeau, Port-Cartier, Sept-Iles and Havre-St.
28 Pierre.

29

30 It may be of interest first if I were to
give a very short view of how navigation developed on
the north shore. The Quebec North Shore Paper Company
started navigation in 1938, and they were the only ones



1 (English)
2 until 1950 when the Quebec Titanium Corporation started
3 to ship over to Sorel. Then in 1954 the Iron Ore
4 Company of Canada started to ship ore up the lakes and
5 across the Atlantic. In 1957 the Canadian British
6 Aluminium Company started shipments of aluminum. In
7 1959 it was the turn of the Cargill Grain Company.

8 We have given you some statistics in this
9 report, most of which are taken from the Dominion
10 Bureau of Statistics. I have a chart to show how the
11 navigation developed at that time. We find that ship-
12 ments grew very rapidly. In 1952 the net tonnage of
13 vessels grew from 543,000 tons up to 6,112,000 tons in
14 1957 and 9,790,000 tons in 1962. So navigation has
15 developed very rapidly.

16 All those companies are operating on the
17 north shore. Their financial operations are altogether
18 dependent upon good navigation. Our Association has
19 been most interested since it started six years ago -
20 we are in our seventh year now - in developing winter
21 navigation.

22 To show the progress made in the area let me
23 say that four years ago only about 400,000 tons would go
24 through during the winter months from December to April
25 15th. Last year there were about 3 million tons.
26 In 1965 and 1966 and 1967 we expect it to be about
27 5 million tons, mostly iron ore going to Europe or the
28 Atlantic shore of the United States. So the financial
29 operation here of those companies depends on the
30 development of winter navigation which, as I said, in



1 (English)
2 recent years has progressed rapidly; and with the
3 present system of docking masters no undue delay has
4 ever been experienced and no serious accidents have been
5 experienced. The system has proven very satisfactory
6 and all companies feel it should be maintained. That is
7 the tenor of the report we are presenting this morning.

8 There are various representatives of the
9 companies here today. We have here Mr. W.E. Collison,
10 Traffic Manager of the Quebec North Shore Paper Company;
11 Mr. R.W. Savage, Traffic Manager, Canadian British
12 Aluminium Company and Mr. J.A. Cummings; Mr. D.S.
13 MacGregor, Vice President, Cargill Grain Company; Mr.
14 L.J. Severson, President and Mr. R.M. Hays, Secretary,
15 Quebec Cartier Mining Company; Mr. C.B. Greenwood,
16 Traffic Manager, Iron Ore Company of Canada and Mr. M.
17 Moran; Mr. F.E. Lallemand, Traffic Manager, Quebec
18 Iron & Titanium Company.

19 All these gentlemen are here to answer any
20 questions which may enlighten the Commission in this regard.

21 MR. JACQUES: I would now ask the represent-
22 ative of Cargill Grain Company to present the argument
23 on behalf of the company.

24 THE CHAIRMAN: I might say, Mr. Massue, when
25 we were there we were quite impressed with what we saw
26 of your organization and how it was going. There was
27 one thing that we found to our amazement, a new principle
28 to us as far as pilotage was concerned, and that was
29 that pilotage was not necessarily for security services
30 but for the utility of it, just to keep the shipping



(English)

1 going. That was a new principle for us.

2 MR. LALONDE: I am a little at a loss about
3 procedure, Mr. Chairman. I cannot understand why these
4 witnesses are not under oath like any other witnesses.

5 THE CHAIRMAN: From what I understand, it is
6 only pleading now; they are not bringing new evidence.

7 MR. LALONDE: Does this mean there is no
8 cross-examination on what they bring or is it just taken
9 as argument without being accepted as proof? Or is
10 the brief being taken as proof?

11 THE CHAIRMAN: I think so far all the
12 evidence that is in this brief is already in the
13 transcript.

14 MR. LALONDE: There are certain assertions -
15 for instance that there have never been any accidents -
16 which are made in such a brief and which are open to
17 question. There are certain suggestions that could be
18 clarified. If it is argument, we can re-argue on
19 certain statements which appear.

20 THE CHAIRMAN: Anything in a brief not
21 supported by facts proven before this Commission cannot
22 be considered by the Commission. Therefore, in the
23 argument if there is anything that is not established
24 by the facts we will be unable to take it into consider-
25 ation. Should you people feel you would like to prove
26 something else, then you will have to put somebody on
27 the stand, someone who is able to prove that. If you
28 are not ready to do so at this time, you may come to
29 see us any time later. That is why I offered that
30 opportunity a few minutes ago.



1 (English)

2 Does that clarify the situation, Mr.
3 Lalonde?

4 MR. LALONDE: Yes, My Lord.

5 MR. D.S. MacGREGOR (Cargill Grain Company):
6 On page 64 of the brief there is a presentation made by
7 the Cargill Grain Company. At this time we do not
8 wish to enlarge a great deal on this report. We feel
9 very strongly, however, that private companies in Baie-
10 Comeau and our company in particular, can provide
11 effective docking master control and operations, as we
12 have in the past. This, as we point out in the brief,
13 is not compulsory at any of the docks in Baie-Comeau
14 except at our own where we have a large investment in
15 equipment on the docks and require docking masters to
16 berth the ships to protect that investment and to hasten
17 and implement the movement of vessels in and out of
18 the port.

19 As you can see, in 1962 there were 679
20 berthings, an average of 2.4 a day.

21 We have nothing to add specifically to this
22 report. If there are any questions concerning it we
23 would be very happy to answer them.

24 MR. JACQUES: I will now ask the
25 representative of Canadian British Aluminium Company to
26 present the view of his company.

27 MR. R.W. SAVAGE: On page 28 of the brief
28 which has been submitted there are some remarks present-
29 ed by the Canadian British Aluminium Company of Baie-
30 Comeau, which I think explains our position quite



1 (English)

2 clearly and I think it needs no additions.

3 I would like to point out, however, that
4 the problem of moving vessels, turning them around as
5 necessary in that particular part of the world had its
6 problems when we first commenced there. In those days,
7 when we had our most difficult problems, they were
8 solved by industry.

9 THE CHAIRMAN: You have read the transcript
10 of the evidence taken when we were at Baie-Comeau and
11 all those places? I suppose you have read that.

12 MR. SAVAGE: I have read part of it, sir.
13 I have not read it all.

14 THE CHAIRMAN: All the facts that are
15 stated at page 28 are covered by that evidence.

16 MR. SAVAGE: Yes, sir. I would be willing
17 to amplify anything that needs amplification.

18 COMMISSIONER SMITH: There is nothing new
19 in here, nothing that has not already been presented by
20 your company at Baie-Comeau.

21 MR. JACQUES: My Lord, the statistics given
22 in the brief, Exhibit 923, are statistics emanating
23 from the Dominion Bureau of Statistics, which have been
24 before the Commission since February of last year.
25 Some further statistics are given but they were given
26 originally at the request of the Commission when it made
27 its trip round the north shore. They were supplied by
28 the companies as a result of the inquiry.

29

30



1 English

2 If Your Lordship remembers in some cases the
3 people were not ready to answer all questions, but it
4 was agreed and accepted by the Commission that statistics
5 should be forwarded by mail to the officers of the
6 Commission.

7 THE CHAIRMAN: The evidence as far as Cargill
8 is concerned is reported in the volume C.D.H. 1 --
9 C.D.Howe, No. 1. I have it here.

10 MR. JACQUES: I might add for the benefit of
11 my friends appearing on behalf of the pilots and the ship
12 owners that these statistics on the movement of vessels
13 are available in Ottawa at the offices of the Commission.
14 Some of the financial figures were accepted as being
15 confidential because the pilots were paid 12 months a
16 year but not solely employed as pilots.

17 The rates charged by the various companies for
18 the services of pilots are available. In fact they are
19 further stated in the brief, Exhibit 923.

20 I might offer also to my friend that I have no
21 objection at all if, upon reading the evidence before
22 the Commission on the C.D.Howe, he feels he should cross-
23 examine the witnesses on any subject at all. I will
24 offer to have these men appear before the Commission.

25 I think this ought to clarify what is going on
26 this morning. What is going on this morning to my mind
27 was not adducing fresh evidence but was to hear
28 argument on behalf of this company.

29 COMMISSIONER RENWICK: Mr. Jacques, just one
30 question in the interests of clarification. I notice in



1 English

2 Mr. MacGregor's presentation on behalf of the Cargill Grain
3 Company Limited, the statement says that Cargill owns
4 and maintains two docks. Mr. Savage's statement on
5 behalf of the Canadian British Aluminium Company Limited
6 says there are three berths, each 550 feet long. Are
7 these berths maintained by the company or are they at
8 public expense?

9 MR. SAVAGE: Those three berths were
10 constructed and are completely maintained by the
11 company without any assistance.

12 MR. LALONDE: Was there any subsidy for the
13 construction of those berths?

14 MR. SAVAGE: No.

15 MR. JACQUES: I would ask the representative
16 of the Quebec North Shore Paper Company, Mr. W.E.
17 Collison, Traffic Manager, to present the argument.

18 MR. COLLISON: My Lord, Commissioners and
19 gentlemen, I am Traffic Manager of the Quebec North Shore
20 Paper Company. We presented some facts to the Board,
21 statistics which you heard about, and I will just
22 follow part of our presentation which appears on page
23 29 of the Lower St. Lawrence brief -- the facts in
24 respect to our docking facilities.

25 "The berthing accommodation
26 (Department of Transport dock No. 1)
27 is 1460 feet long, including the new
28 breakwater and loading berth, and is
29 so located that the use of a docking
30 master is not necessary and has not



1 English

2 been made compulsory.

3 The major part of Quebec North
4 Shore Paper Company shipping is
5 handled by ships which make several
6 trips annually and whose masters are
7 therefore completely familiar with
8 the port and berthing facilities.
9 However, if required by masters of
10 ocean going ships, or to expedite
11 work, competent docking masters from
12 Cargill Grain Company are available
13 at all times. Operating under these
14 conditions since 1960, when Cargill
15 Grain Company docking masters were
16 first employed, no accidents have
17 occurred while docking at the Québec
18 North Shore Paper Company berths.
19 The masters of ships using these
20 services had only praise for the
21 way the docking masters handle their
22 ships.

23 The Quebec North Shore Paper
24 Company does not foresee the need for
25 pilotage services in their operations.
26 With adequate anchorage, unrestricted
27 waters and a dock positioned to
28 permit easy access by vessels, and
29 with experienced docking masters
30 available for strange vessels when



1 English

2 desired we are completely satisfied
3 with the present facilities."

4 Thank you.

5 MR. JACQUES: I think we are moving on to
6 Port Cartier. I would ask the representative of the
7 Quebec Cartier Mining Company to present the argument
8 on behalf of the company -- Mr. L.J. Severson, President.

9 MR. SEVERSON: I am sure that all of the
10 facts concerning the harbour have been introduced and
11 need not be covered further here.

12 Since the inception of shipping at the harbour
13 in July of 1961 the services of pilots at the docks have
14 been supplied by the Quebec Cartier Mining Company. In
15 other words the pilot is an employee of the company.

16 In addition to the permanent pilot who performs
17 this service we have two other employees who have
18 masters' certificates and are qualified as pilots and
19 who serve either in his absence or if he were ill.

20 Since the inception of shipping until the
21 present time there have been no accidents. There have
22 been no incidents of any kind. We found that this
23 method of handling these big ships has been not only
24 safe -- which is the first consideration -- but handled
25 expeditiously, and this is proven after a good many
26 vessel movements since that time.

27 We therefore urge that no change is necessary
28 and we believe that our present method of handling these
29 ships is safe, expeditious and suits our requirements.

30 In addition I might just add that previously,



1 English

2 of course, in May our figures for 1963 could not have
3 been introduced. I might add at this time that for
4 the full year of 1963 there were 215 vessels left at
5 Port Cartier with a total of 6,353,000 gross tons of
6 iron ore concentrates. Of this total it might be
7 of interest that approximately two million tons were
8 shipped in lake ships through the Seaway into the Great
9 Lakes area.

10 It has been our experience not only with the
11 ocean vessels that sail either to Philadelphia or
12 Trenton, New Jersey, that the same masters -- or, as
13 frequently happens, the mate who replaces the master --
14 are now men who have had many voyages to Port Cartier.
15 This includes also the lake ships. So many of the
16 masters of the ships at Port Cartier over 300 feet with
17 iron ore concentrates are masters with familiarity with
18 the local waters, local sailing conditions.

19 Nevertheless our policy at Port Cartier is
20 that pilotage and tugs are mandatory for vessels over
21 300 feet, and we intend to maintain that policy for the
22 safety of our installation as well as the safety of the
23 vessel and to expedite the movement, time being of the
24 essence in our business.

25 We believe that the situation as it is, the
26 way it is now, has been proved to be a proper one. We
27 recommend and urge no change.

28 COMMISSIONER SMITH: I would like to ask Mr.
29 Severson a couple of questions. The first one is with
30 regard to the title to the bed of the harbour. I



1 English

2 understand from your submission that you removed, I think
3 it was 6 million cubic yards of rock and material to
4 build a harbour. Was that built above or below the
5 high water line?

6 What I am trying to get at is, where is the
7 title to the harbour vested -- is it in your company?

8 MR. SEVERSON: Yes.

9 COMMISSIONER SMITH: By special charter, is it?

10 MR. SEVERSON: No. It is by sale of the
11 land down to, I suppose, the low water mark on the one
12 hand and the sale of the deep water line which extends
13 out into the water from the Province of Quebec.

14 COMMISSIONER SMITH: Was that deep water line
15 a sale or a lease?

16 MR. SEVERSON: It was a sale.

17 COMMISSIONER SMITH: A sale, direct conveyance,
18 transfer?

19 MR. SEVERSON: Yes.

20 COMMISSIONER SMITH: Thank you.

21 Now there is another point. I would like to
22 develop with you a little. As His Lordship has mentioned
23 in his opening statement, we have been all over Canada
24 and we have seen various types of pilotage in the
25 different localities. At Prince Edward Island we have
26 one type which is a little different from elsewhere.
27 At Newfoundland there is a variation, certainly a big
28 variation in Goose Harbour and to some extent Churchill,
29 and in Hamilton and Toronto a very large variation.
30 Outside of Toronto and Hamilton there is a degree of



English

1 control by the federal authority of all those pilotage
2 districts.

3 What I am coming to is this. Some have said,
4 I think quite properly, that pilotage is a federal
5 responsibility and embraced within the federal system
6 and it is for the development and the protection of
7 Canada's national cost. Would your company be willing to
8 agree -- you do not have to answer this question unless
9 you want to, but I will put it -- would your company be
10 willing to agree to have some degree of control over
11 the pilotage in your harbour?

12 What I am thinking about mainly is whether
13 you would agree, for instance, to the establishment or
14 the approval of a pilotage tariff in the harbour of
15 Port Cartier?

16 MR. SEVERSON: I do not know.

17 COMMISSIONER SMITH: Do you see any objection
18 to that?

19 MR. SEVERSON: Well, I have said I think that
20 it works pretty satisfactorily the way it is. For
21 instance, as you well know, this is a private harbour.
22 It was built with private funds with no subsidy whatsoever
23 but with the appropriate authority from both the
24 provincial and federal governments.

25 Is there not a degree of control? We are
26 law abiding citizens first of all. Is there not a
27 degree of control in the licensing of the master for
28 example who is qualified to do this work? Perhaps that
29 does not go to the point of your question.

30 I would like to think about that a bit, if I



1 English

2 may, but I believe I would reassert our position that
3 we believe that the way it is done is adequate and
4 proper.

5 COMMISSIONER SMITH: What I am thinking about
6 is some kind of uniformity all over the country. The
7 service that you are selling and others are selling is
8 a public service and it occurs to me that uniformity
9 all around would be a better type of system.

10 MR. SEVERSON: Uniformity in rules that
11 govern the pilot?

12 COMMISSIONER SMITH: Well, I am thinking
13 mainly about the uniformity of some higher authority, a
14 federal authority, over at least part of the operations --
15 not all of them, if all is too much, but some of them.

16 MR. SEVERSON: To conform to a uniform standard;
17 is that what you mean?

18 COMMISSIONER SMITH: Well, not uniform standard
19 in the sense that all the rates would be alike everywhere,
20 but just uniformity in the policy of ---

21 MR. SEVERSON: Service of pilots?

22 COMMISSIONER SMITH: Yes, of the service that
23 is being sold by you and others.

24 MR. SEVERSON: Perhaps I could explore this
25 a little further. An airport, for example -- we happen
26 to have a private airport, not because we wanted to be
27 a private airport, but it is a licensed airport although
28 we built it, and it is still operated. We would be
29 willing if the D.O.T. were willing to operate it. They
30 have not done so. Nevertheless our operation of that



1 English

2 tower, for example -- control of traffic at that airport
3 in every way that we possibly can conforms to the
4 general rules and specific rules issued by the Department
5 of Transport.

6 Are we trying to get at a similar ---

7 COMMISSIONER SMITH: That is by law, is it not?
8 You are compelled to do that, are you not?

9 MR. SEVERSON: I cannot say that we would be
10 compelled.

11 COMMISSIONER SMITH: I do not know.

12 MR. SEVERSON: I do not know for sure either,
13 but we are very assiduous in complying with any of the
14 rules that the D.O.T. has. We are certainly compelled
15 in the event of radios for example where they control
16 the frequency.

17 COMMISSIONER SMITH: Well, My Lord, I would
18 like the witness to think this question over. To me
19 it seems of some importance. Perhaps we could have an
20 answer later.

21 MR. SEVERSON: Yes. I would like a little
22 time to think about it.

23 THE CHAIRMAN: There is another question in the
24 same line of thinking, and I am not addressing this
25 specifically to you, Mr. Severson, but to any people
26 here who may answer it or give some thought to it.

27 As I said before, we are looking into the
28 question of pilotage, whether it is organized under the
29 Department of Transport, whether it is organized by a
30 private company or whether it is just organized by a



1 English

2 local fisherman who just goes up the mouth somewhere
3 offering his services, as in Gaspe. You have shipping
4 being serviced by all kinds of persons, skilled and
5 unskilled, so we are obliged to look into that.

6 There may be some thought to be given to the
7 question as to whenever somebody calls himself "pilot"
8 whether there should not be any control over the
9 appellation of "pilot" and the skill it carries, or
10 whether any person could be called "pilot" when it
11 means that he gives services and he is not a member
12 of the crew -- gives services to help a master to enter
13 a ship somewhere -- whether there should be any public
14 control over the safety of the shipping interests.

15 We have found on that trip, for instance at
16 Gaspe, and it may also be in the Chaleur Baie harbours
17 where the local barber is the pilot. Maybe he is
18 very skilled, but, why, the other man next door would
19 take that ship and what is going to happen to shipping?
20 Could there not be any control?

21 This is one of our problems.

22 I understand so far as your companies are
23 concerned you have to give good service because if you
24 do not give good service you are hurting yourself. We
25 understand that and the authority should understand that,
26 but some principles have to be set up somewhere, and
27 this is a problem we have.

28 --

29 --

30

--



1 English

2 THE CHAIRMAN: We are not asking you to answer
3 this question as to the way it should be handled, as
4 to whether you wish to have a pilot -- when hiring a
5 pilot privately -- whether this pilot should not have
6 some qualification in the same way as when they are
7 masters and they take over your ship; because this
8 pilot is going to be used as a pilot for shipping in
9 general which are going to call at the port.

10 I am not asking you to answer this now, but
11 it is just a question -- the problem -- which we have,
12 and if anybody could give us some information in writing
13 we would appreciate it.

14 MR. SEVERSON: You are talking about a
15 uniform examination, for example, for a pilot, as to the
16 qualifications that a man should meet. I would think
17 Yes, certainly. We did what we thought was the proper
18 thing as a company employing a man for a specialized
19 service. We felt, first of all, that he should have
20 had experience as a master of a ship, and in more than
21 one ship, to have a "feeling" for the ocean.

22 In our instance, in the employment of a pilot,
23 we thought a man experienced with these ships who had
24 service as a master, and then with our own training, or,
25 alternatively, training on the spot in local waters,
26 gradually we made him finally a pilot under that basis.

27 Had there been a rule where a man would have
28 to meet certain specifications to fill that job -- we
29 have others -- men operating boiler plants who, by law,
30 are required to have a certain certificate of training or



English

1 experience, or, at least, they have^{passed} an examination
2 satisfactorily to the governmental authority before we
3 can put them on this job. There appears to be, so far
4 as I know, no rule in this instance for pilots. The
5 same as our airplane pilots -- a private employer, or
6 company aircraft -- the pilot must, of course, have a
7 valid certificate from the Department of Transport and/or
8 from other bodies which issue these, and they must keep
9 them up to date. It is a condition of employment.

10 So that I think that in going to a vessel
11 pilot in this instance we have done -- what the company
12 has done in this regard is that we have got a man
13 licensed by the appropriate authorities concerning
14 navigation on the high seas and we have trained him
15 locally and he has got an appropriate certificate from
16 a governmental body along with his experience.

17 THE CHAIRMAN: In other words, you would have
18 no objection to what you have done by yourself, what
19 your company itself has organized -- you have no
20 objection that it could be made into regulations to the
21 effect that somebody to be a pilot should meet some
22 requirements, depending on the local conditions?

23 MR. SEVERSON: Yes, I would certainly think that
24 is right. I think we have demonstrated that we have
25 only employed pilots under that.

26 THE CHAIRMAN: Because you know your
27 responsibilities; but in some other places they might
28 not be so protected -- your interests -- and it might
29 be good if some revision could be done.

30 This doesn't mean that everybody should have



English

1 the same standards all across Canada, but it means that
2 some security could be asserted in that way; and when,
3 for instance, the pilot is competent then there could
4 be an endorsement. For instance, I have in mind the
5 situation in Prince Edward Island where the pilots are
6 just local fishermen; and they are very, very good,
7 with their local knowledge. As a matter of fact, they
8 have a very, very good record -- almost no accidents;
9 I think there have been two accidents in the last ten
10 years, and very small accidents. But they are not
11 good ship-handlers, and so therefore the local Commission
12 made it a condition that the pilot should warn the
13 master that they are not good ship-handlers and that
14 the docking should be done by the master. There is
15 something that could be endorsed on their license, and
16 the authority should see to it. That is what I have in
17 mind in putting the question.

18 Now, Mr. Severson, thank you; and I wish to
19 tell you that we were quite impressed by your man-made
20 harbour which was made specially out of a place where
21 there was no harbour before, and specially to meet the
22 difficulties of the place and for the docking of ships.
23 We were quite impressed by it.

24 MR. SEVERSON: Thank you.

25 THE CHAIRMAN: Just to take a shore and rocks
26 and carve a harbour out of that, and attacking the
27 problem of the swell. It was very, very good, and we
28 were quite impressed.

29 MR. JACQUES: I will now call on the
30 representative of the Iron Ore Company of Canada, Mr.



1 English

2 C.B. Greenwood, Traffic Manager.

3 MR. GREENWOOD: Your Worship and gentlemen,
4 the presentation of the Iron Ore Company of Canada
5 appears on page 38 of the brief submitted to the
6 Commission by the Lower St. Lawrence and Gulf Development
7 Association.

8 Our presentation outlines clearly, I think,
9 the position as it now exists at Seven Islands.

10 Now, the presentation itself deals more
11 specifically with the private dock of the Iron Ore
12 Company, for reasons which I shall endeavour to explain.

13 In practice there are three types of vessels
14 that service Seven Islands: they are the general cargo
15 or schooner type of vessel, the other the large bulk
16 lake type of vessel and thirdly the bulk carrier ocean-
17 going ship. The latter two call at Seven Islands
18 solely for the purpose of loading cargoes of iron ore,
19 and it is for this reason that the brief, as I say,
20 specifically deals with our private dock.

21 We would like, at the outset, to state that
22 the evidence which appears in the transcript of the
23 hearings on board the "C.D. Howe" much earlier this year
24 -- last May, to be exact -- is somewhat misleading, in
25 that in most instances it refers to the title of
26 "pilot". We do not believe this is the proper
27 terminology applying at Seven Islands because there is
28 not such an item in existence. The proper terminology
29 employed there is a "berthing master". His sole duties
30 are to berth vessels, and his basic concern is to



1 English

2 expedite the movement of vessels to and from the dock.

3 At Seven Islands we are somewhat different
4 from the other ports to be covered under this brief, in
5 that our shipping season at present is limited to about
6 eight months of the year. We do not at present ship
7 during the winter period. However, it is possible
8 that this could change, and rapidly so. Consequently,
9 my company is faced with the problem of shipping during
10 an eight-month period with 12-month production. This
11 requires our dock to be in operation seven days a week,
12 twenty-four hours a day; and in many instances there
13 are numerous ships waiting to take their turn to get
14 into a berth. As you will realize, this is an
15 important aspect because any loss of ship's time can
16 result in many hundreds of thousands of dollars. So
17 we would think that our position is a little different.

18 Again, I would like to emphasize that there
19 is not in existence at Seven Islands a "pilot" nor has
20 there ever been in existence a "pilot" at Seven Islands.

21 We think that the brief as submitted will
22 clearly indicate and explain our position and the
23 reasons why we do not believe a pilotage authority to
24 be justified at Seven Islands.

25 We have shown the number of vessels that
26 have traversed to and from our dock during the past
27 number of years, and we would also like to point out
28 that these berthing matters are monthly-salaried
29 employees of the Iron Ore Company, and are gainfully
30 employed by the company during the non-shipping season.



1 English

2 In other words, they are ---

3 THE CHAIRMAN: This was the evidence, I recall.

4 MR. GREENWOOD: Yes.

5 I present the brief to you as submitted.

6 THE CHAIRMAN: Thank you very much.

7 COMMISSIONER SMITH: Would there be any --

8 to use a somewhat vulgar phrase -- would there be any

9 wildcat pilotage -- piloting to installations other than

10 yours?

11 MR. GREENWOOD: Not that I am aware of. There

12 have been occasions when stranger vessels have made

13 a request to our vessel agencies for the use of a

14 berthing master, but I am not aware of any wildcat

15 pilot operation out of that area.

16 THE CHAIRMAN: But you will provide the service

17 for the berthing of other ships on request?

18 MR. GREENWOOD: If requested, yes.

19 MR. JACQUES: I would now ask the representative

20 of Quebec Iron and Titanium Corporation to address

21 the Commission -- Mr. F.E. Lallemand.

22 MR. LALLEMAND: Gentlemen, our argument on

23 behalf of our company is presented on page 44 of the

24 brief submitted by the Association.

25 We were a little surprised by this, because

26 I do not believe that when the Commission were

27 collecting their evidence that they actually went in and

28 examined our facilities.

29 THE CHAIRMAN: No, we did not.

30 MR. LALLEMAND: It rather surprised us because



1 English

2 we do not believe there was any request for this type
3 of service; we had never had it; and it did come as a
4 complete surprise when we found we were going to be
5 embodied in a compulsory order for pilots.

6 THE CHAIRMAN: It was suggested. This was
7 suggested in front of us and there has to be a decision
8 on it.

9 MR. LALLEMAND: As we told you we think there
10 has not been demonstrated a need for it. We have
11 been operating since 1950 through to date and we have
12 not had any accidents. We have never had any
13 demonstration of need for the service.

14 I am just enlarging on the submission.

15 THE CHAIRMAN: We had some evidence, though --
16 have you seen the record -- with respect to your
17 facilities and the hazard and difficulty there may be
18 in your harbour. It is in the record. We had one pilot
19 who gave evidence to the Commission.

20 MR. LALLEMAND: We had one accident at our
21 dock which was not -- could not be -- attributable to
22 the berthing operation. We were moving a ship along
23 our dock, and it shouldn't be confused with a berthing
24 operation.

25 Our primary concern is with the delays which
26 may be encountered because of our geographical location.
27 There is no land communication; you can't communicate
28 with Havre-St. Pierre except by air and if it was
29 necessary to employ pilots to take a ship out we would
30 be very, very much concerned with any delay which might



1 English

2 result; and, of course, there is the additional expense
3 that would be involved.

4 We have nothing further to add at this time to
5 our argument as submitted.

6 THE CHAIRMAN: Is your harbour open the year
7 round?

8 MR. LALLEMAND: Not for shipping; because we
9 do get ice-floes there at certain times of the year.

10 And, of course, we would like to point out
11 that the only vessels that come in there are our own
12 vessels. You must be invited in to use the facilities.

13 We have 50 vessel movements annually, but
14 they are not 50 different vessels; it is one vessel
15 moving in and out fifty times.

16 THE CHAIRMAN: Are there any questions to
17 Mr. Lallemand?

18 MR. JACQUES: If I might sum up my impression
19 of what I gather from the evidence adduced before the
20 Commission with regard to these three ports, I think
21 that it might not have been stressed enough that from
22 what we have heard and from what we note, these docking
23 masters, as those people call them, strictly speaking
24 would be "pilots" within the meaning of the Act,
25 because a "pilot" means any person not belonging to
26 his ship who has to dock a ship.

27 As I say, from the argument I have gathered
28 this point but I think it has not been stressed enough.
29 I think from the evidence this was shown, that these
30 berthing masters service ships that call at various



1 English
2 docks strictly for company's business. They are not
3 offering their services to the public at large; although
4 if a stranger comes into Seven Islands or Baie Comeau
5 and requests assistance, assistance would be provided
6 by the docking master. But the evidence shows, rather,
7 that these docking masters are part of the operation,
8 loading the ship, the same as the manager, or the
9 chief stevedore, would be involved. They are not
10 offering their services to the public but are strictly
11 for the operation of the company. I think this is
12 important and that it should be stressed.

13 COMMISSIONER SMITH: Mr. Jacques, maybe I
14 misread the brief, but it was my understanding that
15 in Port Cartier ships over a certain tonnage were
16 compelled to take a berthing master or pilot; is that
17 correct?

18 MR. JACQUES: Yes; from my recollection of
19 the evidence that is so.

20 COMMISSIONER SMITH: No matter whether it
21 belonged to the company or not?

22 MR. JACQUES: The ship need not necessarily
23 belong to the company, but they go there strictly for
24 company business -- whether on charter, ownership, or
25 time-charter, I don't know; but from the evidence we
26 have the ship would go to Port Cartier to load goods
27 produced by the company only.

28 COMMISSIONER SMITH: And there would be no
29 other reason for a ship going in there except on company's
30 business?



1 English

2 MR. JACQUES: From the evidence we have had.

3 THE CHAIRMAN: It is a private harbour.

4 MR. JACQUES: Yes, I know.

5 That evidence is not complete, but that
6 appears to be so.

7 MR. LALONDE: I would say, sir, that my friend
8 is making a good case for the companies concerned, but
9 I am not sure that what we learned from the evidence
10 was that at the three harbours these berthing masters
11 or pilots are available to the public in the sense
12 that their services can be called upon -- they can be
13 called upon to do services -- general service -- for
14 the harbour provided they are paid a certain price.
15 They are offering their service to the public.

16 THE CHAIRMAN: This is at Seven Islands and
17 Comeau.

18 MR. LALONDE: And since my friend may be
19 summarizing the evidence ---

20 THE CHAIRMAN: I just pointed that out a few
21 minutes ago with respect to Seven Islands.

22 MR. LALONDE: Yes.

23 MR. SAVAGE: Could the last speaker make
24 himself known to us?

25 MR. LALONDE: I am Marc Lalonde and I am
26 attorney for the Federation of St. Lawrence River Pilots.

27 While I am on my feet I may say that I
28 would like to put some of the people who have spoken
29 before this Commission in the box, when you are through
30 with your other point.



1 English

2 I will call Mr. MacGregor.

3 MR. D.S. MacGREGOR, sworn.

4 CROSS-EXAMINATION BY MR. LALONDE:

5
6 Q. Mr. MacGregor, you are Vice-President of
7 Cargill Grain Company Limited; is that right?

8 A. Yes.

9

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1 (English)

2 Q. I notice in your brief that we do not
3 have the tariff for docking in your docks in Baie-
4 Comeau.

5 A. I believe the Commission has that
6 information available. It was submitted at one time
7 at their request.

8 Q. But you do not remember yourself what
9 it is at this time?

10 A. Are you referring now to the complete
11 stevedoring tariff, the docking tariff? It is a
12 rather lengthy document.

13 Q. I notice in the evidence given in
14 Baie-Comeau you say there was a fee of \$50 each way
15 when you were servicing ships, I think, for people other
16 than your own company?

17 A. That is correct.

18 Q. But I did not see any reference to your
19 charges - your company?

20 A. The fees are identical for all vessels
21 entering Baie-Comeau that are utilising the services
22 of a docking master.

23 Q. You mean to say it costs \$50 to take
24 a ship to the Cargill Grain Company docks?

25 A. That is correct.

26 Q. And you do not have a full all-
27 inclusive tariff which would include all the services
28 and the docking master's fees?

29 A. Not an all-inclusive term, no; the
30 various charges are broken down in the tariff.



1 Q. There is a \$50 charge each way?

2 A. That is correct.

3 Q. Wherever they go in Baie-Comeau?

4 A. That is correct.

5 THE CHAIRMAN: For the docking master?

6 THE WITNESS: For the docking master, yes.

7 Q. Who sets the tariff?

8 A. The company.

9 Q. Do you have the statistics for the
10 number of vessels berthing and using the docking master
11 in 1963?

12 A. I have the figures here. In 1963
13 there were 883 movements.

14 Q. With the same number of docking
15 masters?

16 A. That is correct.

17 Q. Two docking masters?

18 A. Yes.

19 Q. That is 883 movements of ships using
20 docking masters?

21 A. That is correct, both in and out.

22 Q. In and out?

23 A. Yes.

24 Q. Do your docking masters work on a
25 straight salary or on a percentage of the number of
26 trips they make?

27 A. They work on a straight salary.

28 Q. You state that each movement takes
29 approximately an hour or an hour and a half?

30 A. It varies, yes.



1 (English)

2 Q. What does this include? Do you count
3 it from the time the man is on board ship, actually
4 taking direction of the ship and docking it, or is it
5 from the time when he leaves the dock?

6 A. This would be from the time he leaves
7 the dock to board the vessel and up to the time when he
8 is off the vessel again.

9 Q. Your men go and pick up the ship a
10 little off the harbour, I suppose?

11 A. Well, it varies once again. Sometimes
12 it is only a few hundred yards and sometimes it is half
13 a mile; it depends.

14 Q. Has your company considered changing
15 the cost of docking lately?

16 A. No.

17 Q. Have you had complaints about ships
18 or ships' agents having to pay \$50 for docking a ship
19 for a distance which varies from half a mile to a couple
20 of hundred feet?

21 A. I personally have never had any
22 complaints.

23 Q. As far as tariff setting is concerned,
24 it is fully under the responsibility of your own
25 company?

26 A. The tariff has to be approved by the
27 government. It is filed and approved by the govern-
28 ment, but the tariff was made up by our company.

29 Q. Do you mean to say it has to be
30 approved by the government?



1 (English)

2 A. Yes.

3 Q. By whom? By the provincial government
4 or the federal government?

5 A. I do not know the answer to that
6 because I was not there when it was filed.

7 Q. You do not even know which department
8 this is sent to --

9 A. I do not.

10 Q. -- or anything like that?

11 A. No.

12 Q. When your docking masters go on board
13 a ship do they use the tugs of the company, if you have
14 any, or a pilot boat?

15 A. Yes, they normally use the tug to
16 board the vessel in the stream.

17 Q. Is the company making money from the
18 pilot service?

19 A. Yes, I would say we are making money.

20 Q. I am sorry, I do not find it in the
21 brief and I am sure you referred to it - is pilotage
22 compulsory at your dock?

23 A. Yes, it is.

24 Q. Does this apply to all ships?

25 A. We do not have any restrictions on the
26 size of ships, but all vessels calling at our dock
27 require a dock master. A small schooner-type vessel,
28 perhaps bringing in a small load of lumber, does not
29 utilise this.

30 Q. Those would be very small tonnage



1 (English)

2 coastal vessels?

3 A. Yes.

4 Q. Do you have lake vessels going to your
5 docks?

6 A. Yes.

7 Q. Are they more numerous than sea-
8 going vessels?

9 A. About the same last year.

10 Q. And they also have to employ the
11 docking master's service?

12 A. That is correct.

13 Q. Have you had any complaints about the
14 lake companies having to employ pilots at Baie-Comeau
15 for your docks and pay that amount for the service?

16 A. Not officially. I heard some
17 grumbling once.

18 Q. But you never had an official
19 representation?

20 A. No.

21 Q. Do these lake ships go frequently over
22 there or regularly?

23 A. Yes.

24 Q. Do you have some particular ships which
25 do a regular service to your particular port?

26 A. That is correct. We have several
27 ships that make many calls at the port.

28 Q. You had a statement in your brief
29 saying that if docking master fees were negated the
30 lost revenue would of necessity have to be reflected in



1 (English)

2 resultant higher port costs to vessel owners. I am
3 referring to page 27 -

4 "... thus reducing the economic
5 advantage of the port."

6 I must say I am not quite clear what this means in
7 effect. Does it mean that if the company were to lose
8 the revenues from the docking masters service they
9 would have to increase other port charges to make up for
10 the lost revenue which they would lose in this way?

11 A. Obviously any company is in business
12 to make money and a lost income has to be replaced.

13 Q. You may be sure that I am not re-
14 proaching you for making money. So the lost income
15 would have to be made up in some manner?

16 A. This has not been studied of course.

17 Q. But that is what you mean?

18 A. Yes. This is an integral part of the
19 port, if I recall the port operation correctly.

20 Q. And the profits you would lose on the
21 pilotage business you would have to make up in some
22 other port charges?

23 A. Yes, this is our opinion.

24 Q. I notice that in your evidence at
25 Baie-Comeau you stated that the main basis for your
26 objections to a government pilotage district or pilotage
27 authority was on the basis of free enterprise. I am
28 referring here to page 37 of your evidence in Baie-
29 Comeau. You stated:

30 "The objection would be on the principle



1 (English)

2 of free enterprise. We do not feel
3 it is necessary to make any changes
4 at the present time. We feel we have
5 been doing an adequate job."

6 A. This is not my brief.

7 Q. Are you Mr. Donald S. MacGregor?

8 A. Yes, I am. Where is this?

9 Q. This is the evidence you gave in Baie-
10 Comeau at page 37.

11 A. I am sorry, I thought you were
12 referring to my brief.

13 Q. In Baie-Comeau you are reported as
14 having answered to a question by Mr. Smith which read
15 as follows:

16 "I have just one question. I would
17 like to ask this witness, Your
18 Lordship, in the event of a change in
19 the policy in the set-up of pilotage
20 in Canada, would there be any objection
21 from your company in changing the
22 present policy and fitting itself into
23 a general, overall, uniform policy in
24 pilotage?"

25 And you answered - I think it is you, Mr. Donald S.
26 MacGregor.

27 A. Correct.

28 Q. You answered:

29 "The objection would be on the principle
30 of free enterprise. We do not feel



1 (English)

2 it is necessary to make any changes
3 at the present time. We feel we have
4 been doing an adequate job."

5 Do you remember having mentioned that?

6 A. Yes.

7 THE CHAIRMAN: You still agree with what
8 you said then?

9 THE WITNESS: Yes, sir, I do.

10 Q. Have you given consideration to the
11 principle of free enterprise being applied to the
12 pilots concerned?

13 A. Yes, I suppose I would.

14 Q. On the other hand, I would like to
15 state quite clearly, Mr. MacGregor, that there is no
16 contention whatever about the quality of the service
17 that is provided at Baie-Comeau - by the pilots,
18 obviously. Are your docking masters called upon to
19 serve other companies pretty frequently?

20 A. Yes.

21 Q. The figure you gave of 883 - does this
22 take into account the services provided for other
23 companies? Is that correct?

24 A. That is correct.

25 Q. That is all the harbour at Baie-
26 Comeau?

27 A. Yes.

28 Q. All the movements made by your docking
29 masters?

30 A. That is correct.



1 (English)

2 Q. You did not have any accident in 1963,
3 did you?

4 A. We had a nudging of a lakehead vessel;
5 it nudged the berth and there was a slight dent on the
6 bow.

7 Q. That is your dock?

8 A. Yes.

9 Q. And there was a docking master on
10 board?

11 A. Yes.

12 Q. When there is an accident, is there
13 any waiver of responsibility or liability signed by the
14 ships docking at your berth?

15 A. I am not familiar with any, sir.

16 Q. There has never been any threat of
17 action or suit against the company for work done by the
18 docking master?

19 A. No.

20 MR. LALONDE: Thank you, Mr. MacGregor.

21 THE CHAIRMAN: Are there any further
22 questions of Mr. MacGregor?

23 MR. BRISSET: I have no questions, My Lord.

24 If I may make this remark, I would say that I am sure
25 my learned friend is going to make capital out of the
26 fact that a charge for pilotage is \$50 at Seven
27 Islands as compared to the charge at Montreal, and I
28 reserve my right to go into the question a little more
29 fully.

30 MR. LALONDE: My Lord, my friend is seeing



1 (English)

2 very far indeed; I have no such thought in mind. My
3 questions were purely informative.

4 MR. JACQUES: If Mr. Mason were here I
5 think he would have some comments to make on lake ships
6 using pilots at Baie-Comeau also.

7 (The witness withdrew.)

8 MR. LALONDE: My Lord, may I call Mr.
9 Collison please.

10

11 MR. W.E. COLLISON, Traffic Manager,
12 Quebec North Shore Paper Company
13 (Baie-Comeau), sworn.

13

14 CROSS-EXAMINATION BY MR. LALONDE:

15 Q. Your report commences at page 29 of
16 the brief?

17 A. Yes.

18 Q. I notice at page 60 of the evidence
19 you gave on May 18th 1963 - it was you who gave it, was
20 it not? Or was it given by someone else?

21 A. It was given by Mr. T.G. Rust who is
22 unable to be present today.

23 Q. The evidence was given by a
24 representative of your company in Baie-Comeau?

25 A. Yes.

26 Q. And there is a statement concerning the
27 use of docking masters by ocean-going ships. Do you
28 know whether this statement has been produced to the
29 Commission? The number of times --

30 A. That we have used docking masters?



1 (English)

2 Yes, this has been presented. The Commission have the
3 statistics.

4 Q. Has it been divided into lake ships and
5 ocean-going ships?

6 A. The lake ships to my knowledge have
7 never required a docking master nor a pilot at our
8 facilities, but there have been times when some ocean
9 ships, strangers, have asked for a tug - not for a
10 docking master, but for a tug.

11 Q. Is your company serviced by a single
12 lake company mainly?

13 A. No, we have ships of all companies.

14

15 EXAMINATION BY MR. JACQUES:

16

17 Q. I have just one question. You are
18 a representative of the Quebec North Shore Paper
19 Company, are you not?

20 A. Yes.

21 Q. How long have you been in operation
22 there?

23 A. The mill started in 1935. Actually
24 construction was started in 1935 and it was in operation
25 in 1938.

26 Q. How long has the present dock been in
27 operation?

28 A. Our present dock has been in operation
29 since 1938; that is the portion which we use for our
30 own handling of newsprint and woodpulp.



1 (English)

2 Q. Has your company ever been requested
3 to provide the services of docking masters at your
4 dock?

5 A. Yes, we have been asked if there was
6 a pilot available. We told him there was a tug and a
7 docking master available. This was a strange ship,
8 a Conference Line vessel coming in to take on a few
9 hundred tons of woodpulp.

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1 English

2 Q. How long ago has that happened?

3 A. We had this last year, during 1963.

4 Q. Do you know of any other cases where
5 you were requested to provide the services of either a
6 pilot or docking master, according to your interpretation?

7 A. No, not to my knowledge.

8 Q. Not to your knowledge. Have you had
9 accidents at your dock?

10 A. No, none to my knowledge.

11 MR. JACQUES: None to your knowledge. Thank
12 you.

13 CROSS-EXAMINATION BY MR. LALONDE:

14 Q. The dock that you have at Baie Comeau,
15 is it a private dock or a public dock?

16 A. This is a dock that is owned by the
17 Department of Transport. It is a government dock. The
18 dock facilities up to 1949 were provided, which we used.
19 Since then it has been a government dock, but we have
20 some priority on this government portion of the dock
21 where we handle our newsprint and wood pulp to deep sea
22 ships.

23 MR. LALONDE: Thank you.

24 MR. JACQUES: Thank you, sir.

25
26 (The witness withdrew)

27 MR. LALONDE: Mr. Severson, please?

28
29 LLOYD J. SEVERSON, sworn

30 CROSS-EXAMINATION BY MR. LALONDE:



1 English

2 Q. In your statement before this Commission
3 you mentioned that you have a compulsory docking
4 service, whatever should be the proper name for it, and
5 you intend to maintain this for safety and in order to
6 expedite your business also?

7 A. Yes.

8 Q. You stated all vessels over 300 feet in
9 length have to have a pilot on board?

10 A. Over 300 feet.

11 Q. Over 300 feet, yes. Does this apply
12 both to lakers and deep sea ships?

13 A. Yes.

14 Q. You stated that for smaller ships you have
15 a service which you provide and charge for each type of
16 service \$8.40 for the docking master and \$40.00 per
17 hour for the tugs.

18 Did you file with this Commission the charges
19 for the other types of services, like dock line handling
20 and fresh water, and Customs and Immigration charges?

21 A. I cannot answer that just here. I do not
22 think we did.

23 Q. The reason I am asking this is that I
24 see that your charge is \$650.00 per voyage for ships over
25 300 feet?

26 A. Yes.

27 Q. That is both in and out, in the sense that
28 it covers both ways?

29 A. Yes.

30 Q. You say it includes service fee, use of



1 English

2 docking master, tug services, etcetra, etcetra. As far
3 as the cost of it is concerned, if you were to divide
4 this \$650.00 per voyage into different items, would the
5 dock line handling represent the large amount?

6 A. Well, I cannot tell you what the figure
7 might be, but there are six or eight men who attend
8 to this.

9 Q. Six what?

10 A. Six to eight men who attend to this.

11 What their total charge as against this might be for
12 docking and undocking, I cannot tell you offhand what
13 it might be; but it is certainly a fair portion of it,
14 yes.

15 Q. A service fee; do you have any idea what
16 this represents?

17 A. It represents the vessel agency service
18 that we provide ships with.

19 Q. Do you have a tariff which includes all
20 these charges separately?

21 A. No.

22 Q. You do not have that. The services for
23 ships under 300 feet, would these services appear
24 separately in all cases?

25 A. I would have to refresh my memory from
26 our "advice to vessels". Probably that is in there.
27 We have submitted this "advice to vessels".

28 Q. My friend Mr. Jacques seems to indicate
29 that this has been filed, so I will check that.

30 A. Yes.



1 English

2 Q. You have the figures as to the number
3 of dockings and undockings at your docks at Port Cartier
4 for last year or the year before?

5 A. Well, 1963. I said this morning we
6 had had 205 ships call for iron ore, so multiplied by
7 two it would be 410 vessel movements. By "movements"
8 I mean in and out.

9 Q. I am sorry; would you repeat the figure?
10 It is what?

11 A. In 1963 we had vessels taking iron ore
12 cargoes from Port Cartier, 205 vessels, so if you are
13 counting vessel movements in and out it would be 410.
14 That does not include any vessel movement that might
15 have taken place from one of the berths.

16 THE CHAIRMAN: That was 215.

17 THE WITNESS: I am sorry; 215, yes.

18 MR. LALONDE: Q. Do you have any complaints
19 from lake companies as to the charges?

20 A. Not to my knowledge.

21 Q. Is your company serviced by specific
22 lines or is it very distributed?

23 A. The ocean vessels are served by the
24 Norwegian company with you might say special bulk
25 cargo ships into the lakes. There are several shipping
26 companies that call there for iron ore. Our sales are
27 f.o.b. always. It is the customer's responsibility to
28 arrange the shipping.

29 Q. Is Pittsburgh Steamship one of your
30 subsidiaries?



1 English

2 A. Not ours. It is a subsidiary of the parent
3 company, if you want to put it that way.

4 Q. It is what?

5 A. It is a subsidiary of U.S. Steel, or a
6 division of U.S. Steel. During the past summer they
7 made regular calls with certain vessels that are fixed
8 for navigation in salt water to Port Cartier.

9 Q. You do not have any control yourself over
10 the operation of that company?

11 A. No.

12 Q. You do not have any knowledge about their
13 operations in the St. Lawrence River especially around
14 Montreal?

15 A. No. I would be a novice in answering that.

16 MR. LALONDE: Thank you.

17 EXAMINATION BY MR. JACQUES:

18 Q. If you will turn to page 31 of your brief,
19 which is a plan of Port Cartier harbour?

20 A. Yes, sir.

21 Q. Would you tell the Commission to what use
22 is this harbour put? Is it for your own traffic?

23 A. The purpose of the harbour -- it was
24 built primarily and is used expressly for the purpose
25 of shipping iron ore concentrates from our mine 200
26 miles to the north. In addition to shipping the iron
27 ore concentrates, of course, we have got in total some
28 10,000 people between Port Cartier and Gagnon who need
29 food and housing and clothing and other things that
30 people have, much of which is shipped into this harbour



1 English

2 in the general harbour coasting ships that come here.

3 Likewise our petroleum products that we need
4 for the operation -- spare parts, tools, machines and
5 so on -- normally most of it comes through this harbour.
6 Some is shipped by truck but I would say the large bulk
7 of the material comes into this harbour in coasting
8 ships or other ships for the supply of this enterprise.

9 Q. Do you maintain this harbour yourself?

10 A. Yes.

11 Q. You maintain the aids to navigation in
12 the harbour?

13 A. Yes, sir.

14 MR. JACQUES: Thank you.

15 (The witness withdrew)

17 MR. LALONDE: Mr. Greenwood?

18 MR. GREENWOOD: May I address you, Your
19 Lordship?

20 THE CHAIRMAN: Yes.

21 MR. GREENWOOD: Would it be permissible for
22 me to have Mr. Morin accompany me in the box? He is
23 our vessel agent. He may have some answers.

24 MR. LALONDE: I certainly have no objection.

25 CHARLES GREENWOOD and)
26 M. MORIN) sworn

27 MR. JACQUES: I am sorry, but this would
28 complicate matters horribly if you both answer, because
29 the shorthand stenographer will have to take two answers.

30 MR. GREENWOOD: I will answer, but I would



1 English

2 like the opportunity of consulting Mr. Morin on any
3 questions.

4 MR. JACQUES: All right, go ahead.

5 THE CHAIRMAN: So you will be the only one
6 answering?

7 MR. GREENWOOD: Fine.

8 CROSS-EXAMINATION BY MR. LALONDE:

9 Q. I do not think there will be a need for
10 long consultations anyway, Mr. Greenwood.

11 I would just like to know, since it does not
12 appear in your brief, the number of instances where
13 docking masters have been used at wharves other than Iron
14 Ore's in the last few years, if you have that
15 information with you?

16 A. These would be vessels that apply to the
17 Iron Ore Company for Iron Ore personal vessels?

18 Q. I am referring to cases where your
19 docking masters would serve docks other than your own
20 company's.

21 A. I do not have that information here, sir,
22 but it has been filed with the Commission.

23 Q. Do you have for 1963 -- since I am sure
24 this was not filed with the Commission -- the number of
25 instances where docking masters were used in Sept-Iles?

26 A. No, I do not have this information, but
27 it can be made readily available too, sir.

28 Q. Would you mind completing the evidence
29 you gave in Sept-Iles, then, by just forwarding the
30 Commission the information as to the number of instances



1 English

2 where berthing masters have been used? I would like
3 you to divide it into two sections, one at your own
4 docks and secondly at docks other than yours.

5 A. I believe this information has already
6 been submitted to the Commission for 1963.

7 Q. You have sent it later on, or what?

8 MR. JACQUES: I might say here that since
9 1963 has expired the Commission is writing to everyone
10 who has submitted statistics and asking them to complete
11 them for the year 1963.

12 THE CHAIRMAN: That is right.

13 MR. JACQUES: Bring them up to date.

14 MR. LADONDE: Q. If it has been done, then,
15 thank you.

16 I see that berthing masters are compulsory at
17 your docks for all ships?

18 A. For all vessels, yes, sir.

19 Q. Do you have smaller ships going there,
20 like coasting vessels?

21 A. Not to the private dock of the iron ore
22 company. They are precluded from using this.

23 Q. Are they mainly ocean-going ships or
24 lake ships?

25 A. Both.

26 Q. What would be the relative proportion of
27 each approximately?

28 A. Maybe 70 to 30.

29 Q. In favour of what?

30 A. Of the lake vessel.



1 English

2 Q. Seventy to 30 in favour of the lake
3 vessels. Would you know offhand the charge for the
4 services at your dock?

5 A. We at Seven Islands have a package fee
6 which is \$650.00, which includes various services.

7 Q. Is this similar to the services provided
8 by Quebec Cartier Mining?

9 A. I believe in principle.

10 Q. It is the same price?

11 A. They are generally the same.

12 Q. You do not have any tariff with a break-
13 down of the charges?

14 A. No, sir; ours is a lump sum.

15 Q. And the cost of the service is the same
16 for lakers and ocean-going ships?

17 A. I do not know.

18 Q. However, you do not have any of the
19 services for them which are called customs and immigration
20 charges -- or do you?

21 A. No, sir, we would not.

22 Q. Do you have complaints from lake companies
23 about the charges?

24 A. Not in the charges, sir. We do have
25 complaints from lake vessels. For example, the lake
26 vessel proceeding to the government dock at Seven Islands
27 is not required or compelled to use the service of a
28 docking master, whereas the same vessel proceeding
29 to the dock of the iron ore company is compelled to do
30 so.



1 English

2 Q. Have they complained about the amount of
3 the charges when they are going to your docks?

4 A. Not that I am aware of.

5 MR. LALONDE: Thank you very much, Mr.
6 Greenwood.

7 EXAMINATION BY MR. JACQUES:

8 Q. Mr. Greenwood, just a moment, please.
9 On page 40 of the brief, which is the argument presented
10 by your company, I read that docking masters are
11 available on request to stranger ships using the
12 government wharves.

13 Do you advertise this service in any way,
14 shape or form to the public in general?

15 A. No, sir, we do not. As a matter of
16 fact there are occasions when it presents a problem to
17 us, when a stranger ship is coming in and will ask for
18 the services of a berthing master when it is required
19 for the movement of the iron ore vessels. We do not
20 solicit, nor do we offer the service.

21 FURTHER CROSS-EXAMINATION BY MR. LALONDE:

22 Q. I am sorry, Mr. Greenwqod; I have had
23 second thoughts.

24 Did you have any complaints about your charges
25 from ocean-going ships?

26 A. Not that I am aware of.

27

28 --

29 --

30 --



1 English

2 MR. JACQUES: Whilst my friend is looking up
3 his reference book, would your docking master take the
4 ship not only away from the dock but outside the harbour
5 limits? Would they pilot the ship through the harbour
6 to whatever point it may be -- points away from the
7 dock?

8 THE WITNESS: No; his specific duties are
9 to clear the ship of the harbour limits; he does not
10 exceed the boundaries of the harbour limits.

11 MR. JACQUES: Would he take the ship beyond
12 the island?

13 THE WITNESS: No, he would not.

14 MR. LALONDE: Q. When you talk about "harbour
15 limits", that would be the special harbour limits set
16 by the government?

17 A. Yes, that is right.

18 Q. How far would that be from your dock,
19 approximately?

20 A. Three miles.

21 MR. LALONDE: Thank you.

22 I have one or two questions to put to Mr.
23 Lallemand.

24 F.E. LALLEMAND, sworn.

25 CROSS-EXAMINATION BY MR. LALONDE:

26
27 Q. Mr. Lallemand, you stated that there are
28 no pilot services available as such, except that you
29 have a dock superintendent who acts to help ships into
30 Harve-St. Pierre?



1 English

2 A. Yes; he is available on request, but he
3 hasn't had any request for a long time.

4 Q. You state in your brief at page 44:

5 "Furthermore, some years
6 ago, this man endeavoured to get
7 a job as pilot for the area, but
8 his application did not meet with
9 any success...".

10 Would you elaborate on that? Whom did he apply to, and
11 ---?

12 A. Well, the only way I can elaborate on
13 that is to tell you that at the time I asked the people
14 at Harve-St. Pierre, and this person -- he is our dock
15 superintendent there -- I asked him if he had been
16 interviewed by anybody during the past summer in
17 connection with this Royal Commission on Pilotage and
18 he said No. I told him of the present Commission and
19 he, in connection with some remark made, said:

20 "By the way, some years ago

21 I tried to get the job for this
22 area, but it was declined."

23 They didn't feel it was necessary. Who he made the
24 application to I don't know.

25 Q. And he didn't specify what he meant by
26 "the area" -- whether it was the north shore?

27 A. He meant Harve-St. Pierre, because he
28 came back to Harve-St. Pierre and worked there.

29 Q. But at the time of your consultation
30 this was not specified? He just said "in this area"?



1 English

2 A. That is correct.

3 MR. LALONDE: Thank you.

4 EXAMINATION BY MR. JACQUES:

5 Q. Is your harbour open to the public?

6 A. No.

7 Q. Would any ship call at the harbour?

8 A. No.

9 Q. What is the use to which the harbour is
10 put?

11 A. The use to which the harbour is put is
12 solely to ship out our ore.

13 Q. Do you receive any goods or merchandise
14 for inland shipment?

15 A. Not across our own dock. There is a
16 government dock at Harve-St. Pierre which is serviced by
17 coastal vessels.

18 Q. Have you had any request to have a
19 docking master or pilot in Harve-St. Pierre?

20 A. We have not.

21 Q. How many years have you been operating?

22 A. Since 1950.

23 Q. And you have never had a request for
24 pilots?

25 A. No.

26 Q. Have you had any major accident?

27 A. We have not had a major accident. We had
28 an accident which could not be attributed to the berthing
29 situation. We have to move the ship along our dock
30 when we are loading, and only in our loading operation,



1 English

2 and we did have an accident at one time.

3 Q. And I understand from previous evidence
4 that for a season you have one or two ships continually
5 sailing in and out of Harve-St. Pierre?

6 A. Yes.

7 Q. With the same master?

8 A. With the same master.

9 Q. And there is no problem? He becomes
10 familiar ---

11 A. He becomes familiar with it. He could do
12 it blindfold.

13 MR. JACQUES: Thank you very much.

14 FURTHER CROSS-EXAMINATION BY MR. LALONDE:

15 Q. Is it a fact that Harve-St. Pierre has
16 a public harbour with the Department of Transport wharf?

17 A. Yes, it is a Department of Transport
18 wharf.

19 Q. And in that sense any ships ---

20 A. --- can go into the Department of Transport
21 dock; they don't come to our dock.

22 Q. You stated that you didn't have one
23 accident. Was there not an accident in which a ship,
24 the "Walton" was involved?

25 A. Yes, that is correct; that is the one to
26 which I referred, when it was moving during the loading
27 operations.

28 Q. But was there not a grounding of a vessel
29 in a channel not so very far from your dock?

30 A. No, not to my knowledge.



1 English

2 Q. Have there not been some incidents with
3 the Dolphins next to the Department of Transport wharf?

4 A. Some years ago we had an incident with
5 the Dolphins.

6 MR. LALONDE: Thank you.

7 I don't have any further questions to ask of
8 these gentlemen.

9 THE CHAIRMAN: Thank you, Mr. Lallemand.

10 Now we will have our ten-minutes break and we
11 will resume afterwards.

12 ---A short recess.

13

14 MR. JACQUES: Would anyone else have any
15 questions to ask of the people appearing the Commission?
16 It could be in reverse. You can ask from the pilots,
17 too.

18 THE CHAIRMAN: We set the whole morning at
19 your disposal, so that we have nothing else on the
20 program for this morning. We had set aside the whole
21 morning for this, so we are at your disposal, if you
22 wish again to address the Commission, or if you have
23 nothing else on your mind then that is all right.

24 Then, as I told you before, should you feel
25 that something else has been brought out in the
26 evidence before us, please say so at the next hearing
27 which we are going to have, especially in Ottawa, in
28 May and June. I don't know when the notices are going
29 to be published in the papers, but it is going to be
30 the final hearings with regard to evidence to be adduced;



1 English

2 because one of these days we will have to finish. Of
3 course, you will be welcome also at the fall hearings
4 for pleadings.

5 MR. SEVERSON: Going back to Mr. Smith's
6 question a little earlier, I think I would say this
7 further about it. I think, first of all, in our
8 business -- and I really shouldn't talk for our business
9 -- but we are in a very competitive situation, with
10 some of the unionized States, or in Europe. It is a
11 very competitive situation; so each element of cost,
12 be it only a penny a ton, is watched with a great deal
13 of care, because they are costs spread over a good many
14 millions of tons, which amount to sizeable sums of
15 money. Now, there is the cost of operating the harbour
16 and the cost of supplying a pilot for safe and efficient
17 operations -- this is another of our cost -- and I think
18 the price we charge for that should be our business.
19 I think that in that area we would strongly -- I would
20 be inclined to resist government control.

21 With respect to the pilots' minimum standard
22 of competency, so far as pilots are concerned, which
23 would be a condition of employment, so far as we are
24 certainly concerned, Yes, I think that that would be
25 the appropriate thing for the government to do; much
26 the same as it is with the airline pilot who has either
27 a private license or a commercial license, or a single-
28 engine license or a twin-engine license or a four-engine
29 engine license, or maybe jets -- which may be in a
30 special category -- which would outline, certainly



1 English
2 within limits, the competency that the government-
3 constituted bodies examining these people ~~the people~~
4 would determine as to the standard of competency to
5 handle a ship or ships of certain sizes, with whatever
6 criteria might be established to establish uniformity
7 and competence. I would say, I think, that it would
8 be difficult for anyone to object to government control
9 of that kind, or the government imposition of standards
10 of competency similar to, say, airline pilots, as I
11 mentioned and/or licenses that are issued by other
12 elements where there is risk involved to life and limb
13 and property. In the case of airline pilots some are
14 more competent than others; some have better licenses
15 and some have them taken away. For sure, there are
16 rules of that kind.

17 I think that those are the thoughts I have
18 had further to the question you posed to me this
19 morning.

20 So far as what we pay a pilot on our payroll,
21 I feel that that is a private affair. Obviously we
22 can't get him for nothing. It is quite obvious we
23 are not going to pay him twice as much as he is worth.
24 It is as simple as that.

25 THE CHAIRMAN: I thought that government
26 recognition of the type of pilot might also be of some
27 advantage -- that there might be advantage to be gained
28 by that because, as you know, with the licensed pilot
29 there is the question of limitation of liability which
30 would be quite interesting; because there is a law on the



1 English
2 limitation of liability so far as costs are concerned.
3 This is something that might be very interesting for
4 privately-engaged pilots, for instance.

5 MR. SEVERSON: Is this limitation of liability
6 you are speaking of?

7 THE CHAIRMAN: For torts. They are handling the
8 ship and therefore if they make a false manoeuvre they
9 might be responsible for the damage done and maybe also
10 the one who hired them or who rented their services.

11 MR. SEVERSON: I am not a lawyer and I am not
12 presuming to give a legal opinion, but it is my
13 understanding that the general rule at the present time
14 -- and this is pretty well world wide -- is that when
15 a pilot steps on board he is an expert -- he is a
16 consultant to the captain, if you like, although it may
17 be handled in different ways. He may be for all
18 purposes in command of the ship nominally, nevertheless
19 it does not relieve the master of his responsibility.

20 THE CHAIRMAN: Yes, I know; but let us say
21 he gives false information through lack of knowledge,
22 or something else. This is a legal question; and if
23 it were somebody recognized by the Department that would
24 be one of the advantages.

25 COMMISSIONER SMITH: There is just one little
26 point that comes to my mind: In the evidence that has
27 been given before the Commission in many places the
28 pilots have maintained that they are professional people
29 and removed from the employer-employee relationship
30 aspect; and they have the feeling that that professional



1 English

2 ethic, or relationship, should be maintained rather
3 than getting into the position of the employer-employee
4 category.

5 MR. SEVERSON: Are you asking for comments?

6 COMMISSIONER SMITH: Yes.

7 MR. SEVERSON: I happen to be a professional
8 engineer. I am employed on a salary. I nevertheless
9 feel that I have perhaps a little professional standing.
10 We employ lawyers who generally -- I will have to be
11 most diplomatic here -- who regard their profession as
12 a profession, and yet many lawyers are employed by
13 companies on a salary; nevertheless they are performing
14 professional duties perfectly well on an employer-employee
15 relationship.

16 Likewise, many companies here in Canada
17 employ doctors as part of their complement of people.
18 I mean, this does not affect the professional standing
19 of the medical profession as professional people.
20 Nevertheless, doctors do and are still performing duties
21 in places on the basis of a salary from an employer.
22 I think, even so, we maintain a considerable status
23 as professional men.

24 COMMISSIONER SMITH: What I am saying is not
25 my opinion -- certainly not that of the Commissioners,
26 and not my opinion. I thought I prefaced what I said
27 with this, that evidence has come before us from the
28 pilots that this is their status, and that they claim
29 to be in a professional category and away from the
30 employer-employee angle.



1 English

2 THE CHAIRMAN: Is there anybody else who would
3 like to say anything?

4 MR. LALONDE: Well ---

5 MR. MORIN: I would just like to make a minor
6 point, possibly: I shouldn't like anyone, from the
7 evidence this morning, to get the impression that the
8 pilotage or docking master business on the north shore
9 is a lucrative one. The Iron Ore Company has not shown
10 a profit on its pilotage since it was instituted, with
11 the exception of one year.

12 MR. LALONDE: Do I understand that in this
13 particular case you have a flat charge of \$650.00 which
14 includes all kinds of things?

15 MR. MORIN: Yes, that is correct.

16 MR. LALONDE: So when you say you have not made
17 a profit on pilotage, you are not in a position to
18 state whether it is the dock master's costs which are
19 making you lose money on the total operation, or that
20 there may be other charges such as linemen on the
21 dock? I mean, you say on the overall operation you
22 haven't made a profit except for one year?

23 MR. MORIN: I would say that we can break
24 it down for our own purposes as to what the pilots
25 cost us in wages. We know that when this sort of all-
26 inclusive fee was originally set up there was a specific
27 amount left in for pilotage; and taken that way, or
28 on any other basis, the pilotage service as rendered
29 by the docking master is not a gainful proposition.

30 MR. LALONDE: Do you mean you say you have



1 English

2 lost money every year except one in the specific
3 pilotage or docking master's business?

4 MR. MORIN: Yes, I would say that.

5 MR. LALONDE: Are you sure of that?

6 MR. MORIN: Yes.

7 MR. LALONDE: Now, I would just like to
8 emphasize a point raised by my friend, Mr. Jacques and
9 raised in the argument of the Iron Ore Company of Canada
10 about berthing masters.

11

12

13 --

14

15

16

17

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19 --

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21

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23

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25 --

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27

28

29

30



1 (English)

2 He has referred to the Canada Shipping Act's definition
3 of a pilot. I would like also to state that the
4 Montreal harbour, the harbour of Antwerp, the harbour
5 of New York and, for that matter, the inner harbour of
6 London have pilots which are berthing masters. The
7 argument used here, if I may say so, might be misleading
8 in the sense that these are not pilots. Well, by
9 whatever name you call them, they are doing pilotage
10 all over the world.

11 THE CHAIRMAN: I understand the work is
12 divided in New York. You have the river pilots or
13 harbour pilots and also the docking pilots which are
14 tugboat pilots.

15 MR. LALONDE: Yes.

16 MR. COLLISON: If I may say so, My Lord, in
17 reference to my learned friend's remarks, the ports of
18 the north shore are very accessible to the sea; this
19 is a fact we must not overlook. We do not have
20 problems like those in London, New York or the large
21 ports in Montreal.

22 THE CHAIRMAN: Is there anything further,
23 gentlemen?

24 We thank you very much, gentlemen. This
25 has been most helpful for everybody.

26 We will now adjourn until two o'clock this
27 afternoon.

28 ---ADJOURNMENT

29

30



1 (English)

2 ---UPON RESUMING AT 2.00 P.M.

3

4 MR. BRISSET: My Lord, before we continue
5 with the examination of Captain Matheson I would like to
6 reiterate the request I made earlier for the production
7 of certain documents. I made this request some time
8 ago for the production by the corporation of pilots
9 concerned of the statement of the division of the pool
10 of pilotage dues among the pilots serving in these
11 districts for the years 1958 to 1962. This has been
12 done for the district of Montreal but there are still
13 to come the statements for the harbour of Montreal,
14 the Cornwall District and the Kingston District. I
15 have to reiterate this request at this stage because we
16 will refer to these later on in our evidence.

17 Perhaps Mr. Lalonde will tell us whether
18 they will be available soon.

19 MR. LALONDE: My Lord, I have seen the
20 Secretary Treasurer of the corporations concerned and
21 I threatened him with a subpoena. He told me he had
22 prepared them and wanted to check them thoroughly before
23 producing them. I therefore expect to have them if
24 not today tomorrow. On the other hand, I have
25 difficulty in understanding the argument of my learned
26 friend. He says he wants to use them in his evidence.
27 These will not be part of his evidence, although he can
28 use them in argument as much as he wants. However,
29 I am doing my best to get them.
30



1 (English)

2 CAPTAIN JAMES EVAN MATHESON, Recalled
3 and duly sworn.

4 EXAMINATION BY MR. BRISSET, continued.

5
6 Q. Captain, we had reached in your
7 evidence a review of the recommendation contained in the
8 brief of the Shipping Federation, and the next one on
9 which I would like to ask you questions is Recommendation
10 No. 8 on page 98 of the brief under the heading
11 "On the Duties, Responsibilities and Status of Marine
12 Pilots":

13 "The outlawing of individual or
14 collective strike action by the
15 pilots in any or all districts and
16 the setting of penalties by law, the
17 imposition of which will not be left
18 to the discretionary power of the
19 Pilotage Authority against striking
20 pilots."

21 In addition to the arguments contained in
22 your brief, are there any remarks which you feel could
23 be usefully submitted to the Commission on this score?

24 A. Of course, we view strikes by pilots
25 or even the threat of strikes by pilots very seriously.
26 They reflect unfavourably upon the pilotage body; they
27 reflect unfavourably on the pilotage authority and also
28 on trade and commerce in Canada, in the country as a
29 whole.
30



1 (English)

2 In this connection, as far as trade and
3 commerce of the country is concerned, we frequently
4 prior to the opening of navigation, as a result of
5 these strikes and threatened strikes, receive calls
6 from our members who in turn receive calls from their
7 principals in Europe asking if there is going to be a
8 strike or if we have a stable situation in the St.
9 Lawrence now. It may be that there have been rumours
10 going forth that we are going to have a strike of
11 pilots in one of the districts. This information and
12 the threat of strikes and actual strikes is a matter of
13 considerable concern to the principals and owners of
14 ships who send their ships to our country. That is why
15 we feel this is a very serious matter.

16 Q. Is it not a fact, Captain Matheson,
17 that a good many ships that come to trade here, ships
18 which come to the ports of the St. Lawrence, are fixed
19 on charter in Europe at times only for a single voyage?
20 In the case of such single voyage fixtures has it
21 happened in the past that you have been asked for reports
22 on the situation before the vessel is chartered or
23 fixed to come here?

24 A. Yes, that is what I mean. That is a
25 good illustration of what happens.

26 Q. So at times even before sending a
27 ship here, owners of a ship ---

28 A. They want some assurance that there
29 will be no hold up or undue delay of the ship. In
30 fact, it is exceedingly important if we are going to



1 (English)

2 have pilotage that the service be a reliable service.
3 It must be reliable.

4 Q. How would it happen that owners in
5 Europe would hear these rumours? How would they
6 spread like this across the ocean?

7 A. I do not know if I can comment on
8 what channels they go through, but they certainly get
9 there very quickly.

10 Q. You have said that the pilotage service
11 must be, in your view, a reliable service. What do
12 you mean by this? Can you amplify this?

13 A. If there is a pilotage service in the
14 area into which a ship is proceeding, the master is
15 entitled to expect that he is going to get the service
16 that he requires when he arrives.

17 Q. In other words, you feel the master
18 is entitled to get the service that he is expecting
19 when he comes here to trade?

20 A. Yes, it is a serious letdown to the
21 master and to the crew of the ship in general if the
22 service is not there when it is expected to be there.

23 Q. Captain, in the light of your
24 experience, let us say in the past four or five years,
25 do you consider that the pilotage services in the
26 St. Lawrence have met the test of reliability of which
27 you are speaking?

28 A. No, I am afraid not. It is very well
29 demonstrated on the record that we have had a few
30 strikes and we have also had threatened strikes on



1 (English)

2 occasion which are equally serious as far as shipping
3 is concerned.

4 Q. Why is a mere threat as serious as the
5 actual act?

6 A. Because an owner then is reluctant to
7 send a ship into this area, particularly in the fall of
8 the year when he only has a week or a couple of weeks,
9 sometimes only a few days to get to the destination and
10 turn around and get out. It is a very great risk if
11 the ship is delayed on account of a strike.

12 In my opinion, that is one of the main
13 reasons for pilotage; it facilitates the movement of
14 a ship. An owner can estimate the time fairly
15 accurately from the time the ship gets into pilotage
16 waters, for instance at Les Escoumains, Montreal and
17 return. Also he can estimate fairly closely when
18 everything is normal the time the ship is going to take
19 to load and to discharge. Sometimes they cut it very
20 fine, as everyone connected with shipping knows.

21 Q. We have heard evidence from the
22 pilots here before this Commission, Captain - and I
23 think this evidence was given by the president of the
24 Federation, Mr. Bedard - to the effect that in the
25 United States the pilot groups and members of the
26 American Pilots Association had never gone on strike
27 in their history. Are you aware of this? If so, how
28 did you obtain your information? From what source did
29 you obtain it?

30 A. Captain Low, the President of the



1 (English)

2 American Pilots Association in Washington has repeated-
3 ly mentioned this fact to me. It is a fact that the
4 American Pilots Association is very proud of. They
5 have a good right to be proud of it.

6 Q. Have you had ~~many~~ years dealing with
7 Captain Low?

8 A. Yes, I have dealt very closely with
9 Captain Low over quite a number of years.

10 COMMISSIONER SMITH: Captain, before you
11 leave that point, is there a separation in the
12 description of the pilots? I know there are docking
13 pilots in New York City and there are the Sandy Hook
14 pilots that bring up the ship. Is there a cut-away
15 between the two so that you could say there have not
16 been any strikes there? In the past I have frequently
17 noticed in the newspapers that strikes have occurred in
18 New York harbour when ships were unable to dock and
19 they have been docked by their masters - some of the
20 largest ships, I think.

21 A. My understanding, Mr. Smith, is that
22 that is in connection with tugboat strikes. For some
23 of the berths in New York - for instance, Erie Basin -
24 the pilot brings the ship up outside the breakwater and
25 tugs come alongside and tie up alongside the ship and
26 then either the master or the mate - this is what
27 happened some years ago when I was there - of the tug
28 goes aboard the ship and goes on the bridge of the
29 ship and directs the tugs which take the ship and put
30 her in the berth. If the tugs were on strike, of



1 (English)

2 course that service would not be available. I have
3 never been in New York with a ship during a tugboat
4 strike.

5 COMMISSIONER SMITH: Is it a fact that
6 when those ships are docking there are no pilots on
7 board? Is it a fact that there are these tugboat
8 operators?

9 THE WITNESS: The tugboat captain and the
10 tugboat first mate act as pilot; that is my recollec-
11 tion but it is some years since I have been there.

12 COMMISSIONER SMITH: They are not classified
13 as pilots, are they?

14 MR. BRISSET: My Information, Mr. Smith,
15 is that they are not, that they are members of the crew
16 of the tug. They are unionized; they belong to a
17 labour union and they go through collective bargaining.
18 A charge is made by the tug or the tug company for the
19 berthing of the ship. There are no pilotage dues paid
20 for the operation. They pay for the tug services and
21 they put either the mate, as Captain Matheson has said,
22 or the master of the tug on board the ship and whoever
23 is on board the ship coordinates the whole operation
24 with the one who is in charge of the tug.

25 COMMISSIONER SMITH: That is the explanation
26 I was looking for because when you say they are not
27 paid for any pilotage that ends the pilotage service
28 so far as that docking is concerned.

29 MR. BRISSET: It is strictly an employer-
30 employee relationship between the company and the crew



1 (English)

2 that does all this work.

3 Q. Captain, have you anything to add on
4 this subject of the recommendation of the Shipping
5 Federation directed against striking action by the
6 pilots?

7 A. It is pretty well explained in my
8 brief. Perhaps I could make another comment in this
9 regard. When pilots strike, as they do, it hits the
10 shipping very suddenly. It may leave ships in a very
11 hazardous position. The ships are expecting pilots and
12 they collect in areas and cause congestion, and that is
13 not a good situation as anyone can imagine.

14 The other comment I am going to make is that
15 it is quite illegal for the members of a labour union
16 just to walk off the job or decide they are going to
17 have a meeting. There are certain procedures which
18 the labour union has to go through; they have to have
19 direct negotiation in the first place and out of the
20 direct negotiation they may go into conciliation.
21 That is where the Department of Labour goes to the two
22 parties and tries to get agreement. If that fails it
23 is possible that the Labour Department official may
24 recommend a conciliation board to the Minister. There
25 are these procedures. Then after thorough investiga-
26 tion of the trouble the conciliation board will make
27 recommendations. Then a certain period of time
28 elapses after these recommendations are submitted to
29 the Minister when both parties are free - completely
30 free - both employer and employee and the employees



1 (English)

2 need not work for the employer, seven days after the
3 recommendation is made. The point I am making is that
4 there is some considerable time elapsing before a
5 labour union can legally go on strike. They cannot
6 suddenly make up their minds on Monday that on
7 Wednesday they are going to hold meetings. If they do
8 that, then it is illegal.

9 Q. In the period of time for cooling off,
10 if one may put it that way, would there be negotiations
11 and measures taken by the shipowners to alleviate the
12 consequence of the strike? Is that what you have in
13 mind?

14 A. Of course.

15 Q. Does that mean to say, however, in
16 view of what you have just related that you are in
17 favour of the right to strike being given to pilots?

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1 English

2 A. No, no, I would not like to. I always
3 consider pilots on a much higher level than labourers,
4 ordinary working people. As a matter of fact, as I
5 have said in previous testimony, I have always not
6 preached to pilots but certainly suggested to them that
7 if they want to better their lot and get better
8 conditions the very best way to do it is to enhance
9 their own prestige. That is what I would like to see
10 them doing, rather than threatening to go on strike or
11 go on strike.

12 Q. I would like to pass on to recommendation
13 No. 10 on page 102 of your brief, which reads, and I
14 quote:

15 "The enactment of the
16 disciplinary rules making it
17 unlawful for pilots individually
18 or collectively through their
19 corporate organizations to
20 threaten, entice or otherwise
21 influence a pilot in any
22 district in order to have him
23 refuse work, and conversely
24 to threaten or otherwise
25 influence or entice the master
26 of any ship to have him refrain
27 from proceeding to a pilotage
28 district without a pilot on
29 board..."

30 Captain, I would like to bring your attention



1 English

2 to the evidence given by a pilot before this Commission
3 in connection with the 1962 strike, in which he related
4 having received telephone calls. I will not go into
5 the whole of his evidence, but were you present when
6 this evidence was given?

7 A. Yes, sir, I think I was.

8 MR. LALONDE: I object to the statement given
9 by my learned friend. The evidence given by that
10 witness was, I think, that there was one telephone call.
11 If there are more, well, I would like him to refer to
12 the evidence and not give evidence himself.

13 MR. BRISSET: Q. Let us be satisfied with
14 one telephone call, Captain Matheson.

15 Is this what you were contemplating? Is
16 this type of action what you were contemplating in this
17 recommendation?

18 A. Yes, and also ---

19 MR. LALONDE: There again, if this evidence
20 is going to be taken as an example of this recommendation
21 No. 10, I would like my learned friend to refer to the
22 evidence when this witness stated that the person who
23 called him was not anybody having anything to do with
24 any job of responsibility in the corporation.

25 MR. BRISSET: I think, My Lord, the evidence
26 speaks for itself.

27 THE CHAIRMAN: That is right.

28 MR. BRISSET: I do not deny that the witness
29 has stated that he is not in a position to say or know
30 -- I forget exactly his words -- that it was one of the



1 English

2 officers of the corporation.

3 MR. LALONDE: My Lord, the witness said the
4 man who called him was not a director of the corporation
5 and had never been. He knew it quite well.

6 THE CHAIRMAN: The record will speak for itself.

7 MR. LALONDE: Yes.

8 THE CHAIRMAN: Sorry, you may go on.

9 MR. BRISSET: Q. I simply wanted to know
10 whether in making this recommendation you had a situation
11 of this kind in mind?

12 A. Yes, and further the situation we were
13 confronted with during the 1962 strike when telegrams
14 were sent out to ships by the pilots.

15 Q. This has to do with the second part, I
16 take it, of your recommendation, that there be
17 disciplinary rules making it unlawful to threaten or
18 otherwise influence or entice a master of any ship to
19 have him proceed through a pilotage district without
20 a pilot on board?

21 A. Yes.

22 Q. The situation you wanted to cover is
23 that which was established before this Commission -- a
24 series of telegrams being sent during the 1962 strike
25 to ships arriving at Les Escoumains?

26 A. That is right.

27 Q. Can you comment on this particular
28 situation, namely on the type of message that was
29 sent to the masters at the time? I assume you have
30 seen the text; you are aware of these messages?



1 English

2 A. Yes.

3 Q. From your observations or experience what
4 can you say of such a message received by, say, the
5 master of a foreign ship that comes here (to give
6 perhaps an extreme example) for the first time? What
7 would you think would be his reaction?

8 A. Well, he certainly would not have any
9 favourable reaction ---

10 MR. LALONDE: Would the witness speak louder?

11 THE WITNESS: He would certainly not have a
12 very favourable reaction to the pilotage service that
13 was provided or should be provided. I have already
14 stated if it is going to be a pilotage service it should
15 be reliable.

16 MR. BRISSET: Q. Are you aware whether any
17 disciplinary measures in the case of the 1962 strike
18 were taken against the persons or bodies that took it
19 upon themselves to send these messages?

20 A. Not to my knowledge. There have been
21 no disciplinary measures taken against either pilots
22 or bodies in connection with these messages.

23 Q. Would you pass on to recommendation No.
24 12?

25 MR. LALONDE: Before my friend proceeds to
26 recommendation No. 12, he gave evidence as to -- well,
27 I would not say "gave evidence". He made a statement
28 as to the situation in New York. I refer the Commission
29 to Exhibit 879, which is the pilotage rates at United
30 States ports. My friend said there was no docking



1 English

2 charge as such for pilots; it was included in the general
3 dock service. But on page 25 of this document, there
4 is a list of charges, one of which is docking or
5 undocking vessels, \$35.00.

6 What I want to say is that it is not quite
7 clear here whether there is also another charge for
8 the docking pilot as such when he is the master of the
9 tug. I think this matter should be pursued further
10 and not left as such in the record, because there seem
11 to be different possibilities.

12 THE CHAIRMAN: We will try to clarify it when
13 we come to consider the situation in New York.

14 MR. BRISSET: As I understand it, My Lord,
15 this docking charge -- and my friend is quite right --
16 is paid to the tug and not to the individual who might
17 be on the bridge of the ship. But no doubt the
18 Commission will double check this.

19 THE CHAIRMAN: That is correct.

20 MR. BRISSET: Q. I pass on to recommendation
21 No. 12, which reads:

22 "The enactment of rules whereby
23 in case of a serious casualty or
24 of serious negligence or dereliction
25 of duty, the pilot involved will
26 automatically be suspended pending
27 an immediate full investigation
28 into the circumstances of the case,
29 at which the operators of the ship
30 will be permitted to attend, such



1 English

2 investigation to include a full
3 medical and/or psychiatric
4 examination, should the state of
5 health, physical or mental, of
6 the pilot appear to have been
7 a factor, or drinking or drug
8 addiction is suspected".

9 Before going fully into this recommendation,
10 Captain, there was one point I wanted to bring up with
11 you. It is in evidence before this Commission -- and I
12 think that applies to all districts -- that pilots in
13 most cases -- at least, there is no obligation to do
14 so -- in most cases do proceed from their home or the
15 hotel, if they are outside their home city, to the
16 pilot boat and get the ship without going through the
17 pilotage station, Captain Matheson?

18 A. Yes.

19 Q. What have you to say with regard to this
20 practice; or have you any recommendations to make with
21 regard to this practice?

22 A. I think that serious thought and
23 consideration should be given to having the pilot before
24 actually going on an assignment report to the pilot
25 office.

26 Q. Why do you say so?

27 COMMISSIONER SMITH: Excuse me -- personally
28 or by telephone?

29 THE WITNESS: Personally.

30 COMMISSIONER SMITH: In person?



1 English

2 THE WITNESS: Yes, so that he may be sighted
3 before he goes on his assignment. I think there is a
4 lot of merit in that. In some instances it would be
5 very difficult, but it is something that should be
6 given some thought in my opinion.

7 It is to ensure that the pilot's health is
8 perfect, or at least normal, when he does go to his
9 assignment. Ships are very, very expensive units these
10 days and I do not think you can take too many
11 precautions with people who are going to have charge
12 of the conduct of that ship.

13 MR. JACQUES: Captain, are you familiar with
14 the rules which are followed by airline companies with
15 respect to the same subject?

16 THE WITNESS: No, I am afraid not.

17 MR. BRISSET: Q. Captain, are you familiar
18 with the procedure in the United Kingdom, at least
19 some stations, in this regard? To put it another way,
20 are you aware that in some stations there is, I believe,
21 an officer or who is called a sergeant-at-arms before
22 whom the pilot must present himself?

23 A. No, actually I am not familiar with that.

24 MR. LANGLOIS: When you say that the pilot
25 should be sighted; by whom? You mean, by the clerk
26 in charge?

27 THE WITNESS: By a responsible officer, I
28 would say.

29 MR. LANGLOIS: Do you not think the master of
30 a ship is a responsible officer?



1 English

2 THE WITNESS: Well, the master of the ship, Mr.
3 Langlois, does not know the pilot and sometimes it
4 would be very difficult for the master to detect if the
5 man was ill, for instance, or if he was not quite
6 normal. It would be much easier if it was an officer
7 who was familiar with this pilot and was responsible
8 for assigning these men to the ship.

9 I do not know if I can go as far as
10 recommending it. I merely mention it because that is
11 something that should be given thought in my opinion.

12 MR. LANGLOIS: The office clerk would be
13 sufficient, would have the qualification to judge of
14 the state of fitness or the health of the ---

15 THE WITNESS: I was talking about the calibre
16 of a dispatcher. In my opinion a dispatcher is or should
17 be a level above a clerk. That is a very, very
18 important assignment, as I have previously said in my
19 testimony -- the dispatching of pilots. It just
20 cannot be left to an office boy, Mr. Langlois, in my
21 opinion.

22 MR. LANGLOIS: Do you not know as a rule the
23 dispatchers are ~~merely office clerks?~~

24 THE WITNESS: That may be so, but I am not saying
25 that I am entirely satisfied with the dispatching we
26 are getting.

27 MR. BRISSET: Q. You were asked, Captain, by
28 my friend Mr. Langlois whether the master of the ship
29 would not be in just as good a position as the
30 dispatcher to judge the condition of the pilot coming



1 English

2 on board. Is it not a fact that in many places the
3 pilot goes on board while the ship is in the stream?

4 A. The ship is underway -- very frequently.

5 Q. And underway, and if the pilot, according
6 to the master, does not appear to be in a fit condition
7 and needs to be replaced, what would the ship do? Suppose
8 the ship is passing Quebec going up towards Quebec
9 bridge on a flood tide.

10 A. As everyone here knows, it only takes
11 a few seconds to get a ship into very serious trouble.

12 MR. LANGLOIS: Captain, there is a pilot to
13 be relieved on board and before the pilot is discharged
14 by the master he has all the advice he wants to keep
15 the ship afloat, as you might say.

16 THE WITNESS: Not always, Mr. Langlois.

17 MR. LANGLOIS: In Quebec -- you mentioned
18 Quebec for example.

19 THE WITNESS: What about Les Escoumains?

20 MR. LANGLOIS: There is plenty of sea room and
21 there is no danger, Captain, as you know.

22 THE WITNESS: Ships can get into trouble there
23 as well as they can in the St. Lawrence in my opinion.

24 MR. BRISSET: Q. I was not asking you my
25 question in relation to the danger to the ship but
26 simply in respect of the practical operation of sending
27 back the pilot who proves not to be in a satisfactory
28 condition and getting a new one. What would that entail,
29 for instance, at Les Escoumains for an up-bound ship
30 or at Quebec for either a up-bound or down-bound ship?



1 English

2 A. Well, it would certainly entail delay.

3 It depends on the area, whether you subject the ship to
4 certain hazards, having to wait around and manoeuvre.

5 It is a question of the tide and the other movements of
6 vessels.

7 It seems to me there is merit in a pilot
8 being sighted by a responsible person before he goes
9 on his assignment. It is something that you should
10 consider.

11 Q. Now, Captain, have you sat with, or at
12 least as a member of local pilotage committees
13 investigating the conduct of pilots either because of
14 an accident or some other reason during recent years?

15 A. Yes, I have.

16 Q. In the light of your experience sitting
17 on these committees can you tell us whether or not the
18 recommendation you have just made is supported by what
19 you have been able to observe then or learn during
20 the sittings?

21 A. At the moment I do not know that I can
22 recall any particular instance. It is possible, but at
23 the moment I just do not recall any particular inquiry
24 which was made that would have a bearing on what we
25 are discussing.

26 Q. Now, Captain, while the Commission was
27 sitting in Quebec there was considerable evidence
28 brought forward having to do with two particular
29 casualties involving the Continental Pioneer and the
30 vessel Oak Hill -- casualties that occurred, one in



1 English

2 August and the other in September of 1952. Did these
3 casualties come to your ear at the time or shortly
4 after?

5 A. Shortly after.

6 Q. Were you somewhat concerned over the
7 circumstances of these two casualties at the time?

8 A. Yes, I was very -- we were very concerned
9 particularly from the administration point of view.
10 The administrators of pilotage on that occasion in
11 my opinion were very delinquent.

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1 English

2 Q. Well, did you attempt to obtain information
3 from the authorities at the time to determine why these
4 two accidents, involving the same pilot, had to happen
5 within the space of a few days?

6 A. Oh, yes, we certainly did.

7 Q. I would like to submit to you, Captain,
8 a copy of a letter addressed by yourself to Captain
9 F.S. Slocum, dated October 11th, 1962, and I would ask
10 you to let me know whether this is the letter which
11 you addressed to Captain Slocum in connection with
12 these two casualties?

13 A. Yes; that is the letter I wrote to
14 Captain Slocum.

15 MR. BRISSET: I would file this as Exhibit 924.

16
17 ---EXHIBIT NO. 924: Copy of letter,
18 dated October 11, 1962,
19 from Captain Matheson
20 to Captain F.S. Slocum.

21 THE CHAIRMAN: It is a short letter. Will you
22 read it into the record, please?

23 MR. BRISSET: Yes; omitting the name of the
24 pilot.

25 THE CHAIRMAN: That is right.

26 MR. BRISSET: The letter is in the following
27 terms:

28 "Dear Captain Slocum:

29 We have been advised
30 that recently the S.S. "Oak Hill"
stranded near Quebec City with



1 English

2 Pilot 'X'. Our information is
3 that favourable weather prevailed
4 at the time of this stranding.

5 It is also our
6 understanding that Pilot 'X' was
7 the pilot on board the "Continental
8 Pioneer" when that vessel stranded
9 near Les Escoumains, which incident
10 evidently occurred just a few
11 days after the "Oak Hill" stranding
12 near Quebec.

13 In connection with the
14 above incidents we would appreciate
15 having at your early convenience
16 a complete official report of both
17 strandings, or any specific
18 information which you can supply
19 with respect to both strandings.

20 Yours very truly,
21 Captain Matheson".

22 I would like, My Lord, to read into the record
23 the reply of the Department, if you, Captain, could
24 confirm that this letter I am now exhibiting to you is
25 a copy of the reply which you received?

26 THE WITNESS: Yes; that is a copy of the reply
27 to the letter which has been read into the record.

28 MR. BRISSET: The letter reads:
29 "The Shipping Federation of Canada
30 Attention: Captain J.E. Matheson.



1 English

2 Dear Sirs:

3 We acknowledge your inquiry
4 of October 11th, 1962, regarding
5 the two recent strandings of the
6 vessels "Oak Hill" and "Continental
7 Pioneer" in the Quebec Pilotage
8 district and involving Pilot 'X'.

9 An investigation has been
10 held into both these incidents and
11 while a final decision on our
12 findings has not yet been made
13 it is clear from the evidence that
14 Mr. 'X' was suffering from some
15 form of illness at the time. Mr.
16 'X' was removed from the roll of
17 active pilots immediately after
18 the second occurrence and will not
19 be reinstated until there is clear
20 evidence that he is in a fit state
21 to perform pilotage duties.

22 Copies of the Masters' reports
23 in both these accidents are no doubt
24 available to you, and as the evidence
25 we have gathered does not in
26 essential detail add anything to the
27 master's reports there would not
28 appear to be any value in our
29 again summarizing the circumstances
30 surrounding these two groundings...".



1 English

2 The date of that letter is October 15, 1962.

3 THE SECRETARY: Perhaps we could enter both
4 as Exhibit 924?

5 MR. BRISSET: Yes.

6 (Letter of October 15th, 1962
7 attached to Exhibit No. 924).

8 MR. BRISSET: Q. After your letter of
9 October 11 were you ever able to obtain from the
10 Department any more information on these accidents and
11 their causes?

12 A. No.

13 Q. Until, of course, the hearings before this
14 Commission?

15 A. That is right.

16 Q. Now, you have said earlier in connection
17 with these two casualties that the administration was,
18 in your opinion, delinquent?

19 A. Yes.

20 Q. Will you tell us why you so feel? In
21 what respect was the administration delinquent?

22 A. Well, in this particular case that we
23 are discussing, a ship goes ashore in clear weather
24 with a pilot on board; and subsequently, only in a matter
25 of a few days, the pilot that was on board when the
26 first ship went ashore has a further very, very serious
27 accident.

28 It seems to me that when a ship goes ashore
29 under unusual circumstances in clear weather that with
30 a proper administration the first thing that would be



1 English

2 done is to thoroughly investigate the case and
3 particularly the pilot to find out what was the matter.
4 In my opinion, until that could be done that pilot
5 shouldn't be assigned to another ship. The administration
6 should satisfy itself, in my opinion, that the pilot
7 was absolutely free of blame; that the accident couldn't
8 be contributed to the condition of the pilot. This
9 certainly wasn't done in this case, and in my opinion
10 it is normal administrative procedure.

11 Q. Do I gather from what you have said that
12 even if the pilot were to be considered after
13 investigation to have been entirely free of blame you
14 would still want him to be suspended in the meantime
15 to avoid the possibility of greater harm being done
16 if he were involved in another casualty, until the real
17 cause has been determined?

18 A. No; as long as the investigation was
19 complete and the responsible authority was quite
20 satisfied that it had nothing to do with the pilot.
21 For instance, you could have a break down in the steering
22 gear -- accidents happen to ships all the time -- and
23 in the pilotage area it is not necessarily the pilot's
24 fault; and if the authority was quite satisfied that
25 the pilot was normal and that there was no blame attached
26 to the pilot then I see no reason why he should be
27 prevented from piloting further.

28 Q. And you would maintain that this procedure
29 should be followed even if, as I think has been explained
30 to us by a witness before this Commission, it might mean



1 English

2 that the pilot would not pilot a ship until the
3 completion of the investigation, which might take a
4 week, or ten days, or perhaps even two weeks.

5 A. That is right. In the meantime the
6 pilot should be under suspension until such time as the
7 investigation has been completed.

8 MR. LANGLOIS: If the pilot is found not guilty
9 who will compensate him for his loss in earnings?

10 THE WITNESS: That is a different question, Mr.
11 Langlois. We are dealing, as I said before, and in
12 my testimony, with very, very expensive units, and
13 every precaution should be taken to protect these units
14 and the lives on board them. So the position you
15 are putting up to me, in my opinion, is just incidental
16 to the value of the ship and to people on board the
17 ship, and to the hazard that other pilots may meet when
18 they meet this ship. In my dealings with the pilots,
19 as a matter of fact, they are equally concerned about
20 having competent pilots and having pilots in a normal
21 condition when they are piloting ships, which is in
22 their interest; and every pilot is very responsible
23 in that respect.

24 MR. LANGLOIS: Very good. You are taking it
25 that the pilot is guilty. What if he is not guilty?

26 THE CHAIRMAN: I think there is a misunderstand-
27 ing. It is not a question of a disciplinary measure; it
28 is a question of security to the traffic. There is this
29 difference.

30 THE WITNESS: That is right.



1 English

2 THE CHAIRMAN: And if it appears that through
3 some failure or something, that the pilot is unfit, it
4 is not a matter of discipline -- take eyesight, for
5 instance; if it is found that the pilot is not able to
6 see what is in front of him we are not going to wait
7 until he has two or three accidents before he is
8 suspended. It is not a black mark on his sheet at
9 all; it is not a disciplinary measure. It is security.

10 As to who should pay for it, this should be
11 minimized as much as possible by doing the investigation
12 as soon as possible. This is one of the hazards of the
13 trade.

14 THE WITNESS: That is exactly the position that
15 I endeavoured to describe.

16 MR. BRISSET: Q. In other words, as His
17 Lordship has pointed out, the suspension you are speaking
18 of here is not intended to be a black mark against the
19 pilot?

20 A. Definitely not.

21 MR. LANGLOIS: But in this respect, and with
22 all due respect, the recommendation is much broader
23 than what Your Lordship has just stated.

24 In the case referred to I happen to be
25 representing the pilot and I still don't know what the
26 result is. I don't know what happens. I am still
27 waiting for the report from Ottawa.

28 THE CHAIRMAN: Let us say, for instance, a
29 question of drunkenness -- under the influence of
30 liquor. This is not going to last for days. While he



1 English

2 may have been impaired, when he is not impaired any more
3 there is no reason why he shouldn't carry on. That is
4 what I say about security. There should be a system
5 to ascertain that the man is fit for duty.

6 MR. BRISSET: Q. To pursue this line of
7 questioning in the light of the remarks by the Chairman,
8 in the case of drunkenness on the part of a pilot --
9 and I am speaking in the abstract here -- I take it that
10 your recommendation is that you still would want an
11 investigation even although the following day he might
12 be fully recovered; is that right?

13 A. Yes, absolutely. I think it is a very
14 serious offence a pilot to go aboard a ship in any way
15 impaired.

16 Q. In other words, you feel that if this
17 happens even although the pilot might be perfectly fit
18 the following day still an investigation is necessary
19 to determine why it happened the first time, and if the
20 records of the pilot indicate that perhaps there may
21 have been a series of incidents before and he might
22 not require examination and treatment, or whatever the
23 investigating officer might recommend ---

24 A. Exactly.

25 Q. In other words, you may feel that if it
26 happened once it is such a serious thing that steps
27 should be taken that it won't happen a second time?

28 A. Yes; and the other advantage, so far as
29 the pilot is concerned, is that if steps are taken
30 the first time there is the possibility that it will not



1 English

2 happen the second time.

3 Q. Now, Captain, I pass on to recommendation
4 No. 13 which reads:

5 "A computation of the accurate
6 record of each pilot with a yearly
7 review being made and submitted
8 to the representatives of the
9 shipping industry with a view to
10 having steps taken to investigate
11 the physical fitness, character
12 and background of accident prone
13 pilots."

14 Will you tell us the reasons that have prompted this
15 recommendation -- and to assist you may I again refer
16 to your experience sitting on special committees
17 investigating casualties involving pilots?

18 A. Yes; this recommendation originated
19 out of an experience I had on the disciplinary committee.
20 It was ---

21 Q. If I may interrupt you, will you not
22 mention the name of any pilot if you refer to any
23 individual cases.

24 A. This disciplinary committee, as has
25 already been explained to the Commission here -- the
26 composition of it -- was sitting in Quebec and we were
27 investigating an incident. The record of a particular
28 pilot was brought to my attention, and I was amazed
29 to find out the succession of accidents this particular
30 pilot had had.



1 English

2 COMMISSIONER SMITH: Captain, how far short
3 in this area, in fact, of physical fitness, character
4 and background of accident prone pilots -- how far short
5 of that does the Department fall?

6 THE WITNESS: Well, I don't think that it is
7 even considered by the Department, so far as I know.

8 COMMISSIONER SMITH: Not any bit of it?

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1 (English)

2 THE WITNESS: Not that I know of. The only thing
3 I can say about that, Mr. Smith, is that at this
4 particular disciplinary committee on which we sat - and
5 I can only speak for myself, I cannot speak for the
6 others - in assessing the disciplinary measures against
7 the pilots the record of the pilot concerned had a
8 certain influence on me when I was considering what
9 disciplinary action should be taken against him. But
10 I cannot say whether that same factor applied to the
11 officers of the Department on the committee or to the
12 pilots on the committee.

13 Q. However, has the Department in the
14 past ever disclosed to you the records of any pilot as
15 far as accidents are concerned, and especially those
16 that we might call - and certainly there are few of
17 them - accident prone pilots?

18 A. No, they absolutely refuse to divulge
19 that information to us. As a matter of fact, we have
20 had considerable difficulty in getting reports from the
21 Department regarding accidents - very great difficulty.

22 THE CHAIRMAN: Really it is a matter of the
23 authority of those issuing the licence. I am just
24 wondering whether they have the authority themselves to
25 revoke a licence just because a pilot could be accident
26 prone. Would that be sufficient to cancel a licence -
27 and I mean aside from disciplinary measures, I am just
28 referring to security measures? I am just wondering
29 about this.

30 THE WITNESS: It would certainly be



1 (English)

2 interesting to get the pilots' point of view on that,
3 My Lord. After all, these pilots are the ones who have
4 to live with the situation every time they go on board
5 a ship.

6 Q. You are not asking actually that
7 accident prone pilots be suspended? I take it in your
8 recommendation you are asking that if such a case is
9 found there should be an investigation made to determine
10 whether physical fitness might be a factor, and
11 character or some other reason?

12 A. Yes, or some other reason, exactly.

13 Q. And the investigation you may concede,
14 may reveal that perhaps it was just an unlucky pilot,
15 that he was not to blame in the accident, but that he
16 was fit?

17 A. Yes.

18 Q. And also it is possible that a more
19 thorough investigation than would normally be made might
20 reveal a cause which may make the pilot really unfit?

21 A. Exactly. To illustrate further what
22 I have in mind, it is possible for pilots, as for any-
23 one else, to have a run of bad luck and have a few
24 accidents. I do not think any action should be taken
25 against pilots necessarily because pilots are
26 vulnerable to accidents because they are in traffic all
27 the time. I do not think action should be taken then.
28 However, if there is a succession of accidents with a
29 pilot, if a pilot is accident prone, then a thorough
30 investigation should be made to see that there is



1 (English)

2 nothing wrong, in my opinion. I come back to my
3 previous statement that other ships are in danger if
4 there is anything wrong, and other pilots are in
5 danger. These are very very expensive units. Every
6 precaution should be taken to see that pilots are in
7 first class condition physically. That is what I
8 mean.

9 Q. Captain, at pages 107, 108 and 109,
10 to illustrate and support two previous recommendations,
11 namely 12 and 13, you have listed a series of serious
12 casualties that occurred over a period of years in some
13 of the districts or perhaps all the St. Lawrence River
14 districts. Will you give us the origin of the
15 information which is contained in these three pages?

16 A. Yes. I personally obtained this
17 information, I think in a semi-confidential manner,
18 from the underwriters, Hays, Stewart & Company.

19 Q. And also - if I may give evidence
20 here, My Lord - from counsel who was involved in quite
21 a number of the casualties listed in these pages; is
22 that correct?

23 A. Yes, that is right.

24 MR. BRISSET: My Lord, we do not propose to
25 go into each of these casualties and present evidence
26 to support what is alleged here. I believe all these
27 casualties are already noted in the statistics furnished
28 by the Department of Transport and are already before
29 the Court. The reports of the pilots themselves - and
30 I can assure the Commission that in every case there



(English)

were pilots on board the ship - the records are available in Ottawa, the reports of the pilots themselves, with regard to losses (if any) in any particular case. If in any particular case more detail is required we would be quite prepared to submit that, but frankly I do not see the purpose of wasting the time of the Commission by submitting details of the losses by way of general average adjustment or PA adjustment which, in most cases, are volumes in themselves. So if the Commission were prepared to accept these as they are presented, and if my confreres have no objection ---

MR. LANGLOIS: Far from it, My Lord.

Looking first at page 106 of the brief of the Federation, one sees that we are dealing in recommendation 13 with - and I am using the words of the brief -

"...the accidents strictly attributable to human failing on the part of pilots ..."

Then in the second paragraph at the bottom of the same page they say the statistics issued by the Department of casualties support the statement they make in the brief.

If my learned friend wishes to give the impression that all the accidents were attributable to human failing on the part of the pilots, I ask him to prove that.

MR. BRISSET: I stand corrected. Perhaps these words are a little too strong. We should



1 (English)

2 perhaps have said "accidents to ships which at the time
3 were served by pilots in various districts."

4 MR. LANGLOIS: That is another thing, and
5 even then some of them were not served by pilots.

6 MR. LALONDE: I also contest the information
7 that "in all cases there was a pilot on board when the
8 accident occurred". I refer in particular to the case
9 of the "Bellatrix" which is mentioned on page 109. I
10 am informed there was no pilot on board at the time of
11 the grounding. However, they asked for a pilot at the
12 time of the grounding and the pilot remained on board
13 for three days before the ship was freed. As to the
14 case of the "Westmount", the pilot on board was a
15 CSL special pilot, he was not a pilot on the roll or a
16 regular pilot in the River. With regard to the
17 "Alstertal", July 20th 1960 (page 109), the pilot on
18 board was a United States pilot and I am informed he
19 was unlicensed.

20 MR. JACQUES: In order to help my learned
21 friend, I might suggest that these lists contained on
22 pages 108 and 109 be taken as examples of the
23 tremendous losses involved in marine casualties and
24 that it be left to the Commission to check in the files
25 in Ottawa to find out whether or not the pilots were at
26 fault in each of these cases and to find out whether
27 pilots were aboard.

28 MR. LANGLOIS: Even this is impossible
29 because some of these cases are under appeal just now.

30 MR. BRISSET: 1960 cases?



1 (English)

2 MR. LANGLOIS: Yes. There is another
3 example. You list the "Irving Stream" as having had
4 two accidents when you should know that the second
5 accident occurred because the ship dragged her anchor
6 with no pilot aboard.

7 MR. BRISSET: Well, My Lord, I am quite
8 prepared to delete the last three on page 109 in the
9 light of the remarks of my confrere. As regards the
10 "Irving Stream" I am quite prepared to submit to this
11 Commission the statement of the pilot himself who was on
12 board that ship, a statement which I have in my file.

13 MR. LANGLOIS: The second accident?

14 MR. BRISSET: For the series of accidents
15 which occurred.

16 MR. LANGLOIS: The second accident was a
17 dragging of anchor, and you know there was no inquiry.

18 THE CHAIRMAN: The best thing to do in these
19 cases - unless you wish to bring some further point -
20 would be to leave it up to us to look up the file at the
21 Department of Transport. These files can be made
22 available to us when we are in Ottawa.

23 MR. BRISSET: I would be quite satisfied,
24 My Lord, with this procedure, which I think is entirely
25 satisfactory. Some of the cases listed here have been
26 the object of court actions and these judgments are
27 reported in our judicial reports.

28 THE CHAIRMAN: I think everybody would agree,
29 however, that the possible damage that a sea casualty
30 could bring about is tremendous.



1 (English)

2 MR. BRISSET: That is the main point I
3 wanted to bring out.

4 THE CHAIRMAN: I think everyone agrees with
5 that. If it is only that, then I think everyone agrees.
6 For instance, you have the question of the ship where
7 there was some oil spilled, and you can see that the
8 spilling of the oil caused tremendous damage to shore
9 installations and fishermen and so on; this is an
10 example.

11 MR. BRISSET: I may add that until the case
12 of the "Vibex" occurred I had no idea of the extent of
13 the eel fishing industry below Quebec.

14 MR. LANGLOIS: Yes, My Lord, and in this
15 respect, as my learned friend will surely recall, the
16 ship was manoeuvring in closed waters, in very
17 restricted waters. The Marine Superintendent of the
18 company called the master off the bridge with the
19 result that the pilot was left with a very junior
20 officer who could not even take a radar bearing. In
21 the first accident she was coming alongside this
22 awkward little pier that you have seen. I would not
23 ask a rowboat to go alongside there; I would not want
24 to go there even with my own yacht.

25 THE CHAIRMAN: We should avoid trying to
26 hear the arguments on both sides with regard to those
27 cases; it would take too long.

28 MR. BRISSET: They are already settled, in-
29 cluding the case of the "Vibex" and the case of my
30 learned friend for his yacht.



1 (English)

2 THE CHAIRMAN: Especially if it were
3 settled out of court - because one will never know who
4 was at fault.

5 MR. BRISSET: My Lord, I do not want to
6 spend more time on this.

7 Q. One more word before closing your
8 evidence on the recommendations, Captain. At page
9 110 ---

10 THE CHAIRMAN: Excuse me, Mr. Brisset.
11 There was also the case of the damage by oil that was
12 spilled overboard last fall on geese and the provincial
13 government had to send people there to wash them.

14 MR. LANGLOIS: The pilots had nothing to
15 do with the spilling of oil last fall.

16 MR. BRISSET: They did not have to clean the
17 geese either.

18 Q. I refer you, Captain, to page 110 of
19 your brief in which you recommend the re-establish-
20 ment of the court of wreck commissioner which used to
21 operate during the thirties. Have you any comment in
22 this regard or anything to add to what is already
23 contained in the brief?

24 A. I think it is fairly explicit there.
25 I think the purpose of this is fairly explicit in the
26 brief. My information is that this commission
27 rendered a valuable service, and part of our trouble
28 under the Department of Transport administration was a
29 reluctance to take disciplinary action when disciplinary
30 action was called for. I do not know of any specific



1 (English)

2 cases when the Department had been delinquent in that
3 regard. The only other comment I would make - if I
4 may make this comment, My Lord - is that if and when
5 this position is created the appointment should be
6 that of a practical mariner and preferably a master
7 mariner.

8 Q. Do you contemplate he would be
9 assisted, as was the former wreck commissioner,
10 Captain Demers, by technical people such as engineers?

11 A. If necessary.

12 Q. If there was an engineering problem
13 involved?

14 A. Yes, if necessary, and if necessary
15 that he would have the necessary legal assistance he
16 required.

17 Q. Or a retired pilot?

18 A. Necessary technical assistance only.

19 THE CHAIRMAN: I understand his function
20 was only existing in Montreal?

21 MR. BRISSET: In the Province of Quebec.

22 THE CHAIRMAN: In the Province of Quebec
23 and not elsewhere in Canada?

24 MR. BRISSET: No, not that I know of.

25 MR. JACQUES: In connection with your last
26 comment, do you feel that the master of a ship or the
27 shipowners or the ship agent should have liberty to
28 lay a charge against a pilot?

29 THE WITNESS: No. I am glad you brought
30 that up. I certainly do not intend it to apply in



1 (English)

2 that manner. I intended to imply that only such a
3 man with knowledge, experience and technical know-how
4 such as a master mariner has, is competent to serve in
5 such a position.

6 MR. JACQUES: I am afraid we do not under-
7 stand each other. This gentleman would be more or
8 less a court which would judge or pass judgment on
9 pilots' conduct. Is that correct?

10 THE WITNESS: Yes.

11 MR. JACQUES: In order to judge a pilot,
12 the pilot has to be brought before him on a charge of
13 some kind; is that correct?

14 THE WITNESS: He would investigate. The
15 pilot would not be brought before him by any person.
16 This wreck commissioner would investigate the casualties.

17 COMMISSIONER SMITH: The old wreck
18 commissioner - if I recall his jurisdiction correctly -
19 had very wide powers.

20 THE WITNESS: Yes.

21 COMMISSIONER SMITH: Would you suggest that
22 those powers be vested in a new commissioner? I have
23 forgotten exactly what they were but I know they were
24 very wide.

25 THE WITNESS: Well, I do not think I have
26 considered fully the extent of the powers, but if the
27 powers of such a position were unreasonably wide or
28 very wide, that could be curtailed no doubt. What I
29 am referring to is the training necessary for such a
30 position, the technical know-how necessary which would



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1 (English)
2 not be in the possession of other professions and other
3 professions would not be qualified to assess the
4 matter properly in my opinion. Does that explain my
5 position?
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1 English

2 Q. You were speaking there, Captain, of the
3 qualification of the person who should be appointed to
4 that particular function, but what counsel for the
5 Commission was asking you as well as Commissioner Smith
6 was, what would be the extent of the powers of this
7 officer? Would he or should he in your opinion be
8 given power to take sanctions like suspending a licence,
9 reprimanding, imposing fines, cancelling a licence?
10 How far should his powers go in your opinion?

11 A. Well, I would have to give this a little
12 bit of further thought before making a statement at the
13 moment.

14 THE CHAIRMAN: I think the powers of the
15 office do appear in the statute and we should find what
16 it says there. But what we would be very pleased to
17 know is why was the position never filled again after
18 the departure of Captain Demers?

19 We will learn that, I suppose, in Ottawa
20 from the file anyway.

21 MR. BRISSET: I have never been able to find
22 the reason myself.

23 THE CHAIRMAN: The other question I am asking
24 myself is why such an office was only working in Montreal?
25 Why not in Halifax; why not in St. John, New Brunswick;
26 why not in Vancouver?

27 MR. BRISSET: Q. Just one more question,
28 Captain, on the same subject. I refer you again to
29 page 110 of your brief in which you say in the penultimate
30 paragraph:



1 English

2 "It is the belief of the
3 Federation that the formal
4 procedure then followed had
5 a salutary effect on the conduct
6 of pilots and ships' personnel
7 in general and that the findings
8 and recommendations of the Wreck
9 Commissioner were of great
10 assistance to promote safety of
11 navigation and enforce proper
12 discipline amongst pilots
13 and ships' personnel."

14 In the light of this quotation, Captain, I
15 draw your attention to one statement you made, namely
16 that the "formal procedure then followed had a salutary
17 effect on the conduct of pilots and ships' personnel".

18 A. Yes.

19 Q. Can you comment on this, comparing the
20 "formal procedure" that you speak of with public hearings
21 to what has been going on with respect to the
22 investigation of casualties as they are presently
23 conducted? Of course, I do not mean formal inquiries,
24 but otherwise than through the formal inquiry process.

25 A. Well, perhaps the best way to explain
26 this is that the experience I had with the disciplinary
27 committees is that we would come to unanimous agreement
28 at these committees as regards the disciplinary
29 measures recommended. The pilots would be in agreement;
30 the shipping interests would be in agreement and the



1 English

2 Department of Transport officials would be in agreement.

3 These recommendations would be forwarded to
4 Ottawa for action, as we were led to believe that action
5 would be taken on the basis of the recommendation of
6 these disciplinary committees. But action was never
7 taken, or seldom -- certainly not for the disciplinary
8 measures recommended by the disciplinary committee.

9 Q. Captain, what I had principally in mind
10 was the fact that these inquiries of the Wreck
11 Commissioner were public inquiries where everything was
12 said publicly. Did that have anything to do with this
13 "salutary effect" you are speaking of?

14 A. Oh, of course it would have.

15 Q. Nowadays is it a fact or not that a
16 considerable number of investigations of casualties
17 are conducted more or less in camera?

18 A. Yes, I agree with that. We cannot get
19 any information from the Department about these inquiries.

20 Q. So that is the object of your recommendation,
21 to make inquiries more public or public rather than
22 in camera inquiries, the shipping industry being unable
23 to obtain any particulars of what has happened and
24 why it happened and so forth, and what action?

25 A. What action was taken by the authority
26 particularly.

27 MR. LANGLOIS: My Lord, I would like to know
28 which type of inquiry we are talking about. Are we
29 talking about fact finding investigations or preliminary
30 inquiries?



1 English

2 THE CHAIRMAN: The Wreck Commissioner's
3 inquiries.

4 MR. LANGLOIS: The present investigation we
5 are talking about?

6 MR. BRISSET: Yes, present inquiries carried
7 out by the Department -- whatever name is given to them.

8 THE WITNESS: Yes, investigations that are
9 carried out by the Department, Mr. Langlois, at the
10 present time.

11 MR. LANGLOIS: You mean preliminary
12 investigation, fact finding? The others are quite in
13 open court. Only one example, the Tritonica ---

14 MR. BRISSET: We are not speaking, Mr. Langlois,
15 of formal inquiries. I was careful to point out to
16 Captain Matheson that we were not referring to formal
17 inquiries but the other types of inquiries conducted
18 by the Department of Transport.

19 MR. LANGLOIS: Criminal inquiries are in open
20 court too. If I can explain -- I am not doing that
21 to embarrass the witness; we want to see we are on the
22 right track -- the custom has been, My Lord, for the
23 fact finding investigation, which is the preliminary
24 investigation to find out if there were facts warranting
25 a further investigation, these are held by the
26 employees of the Department and in the case of a
27 collision the other side is not allowed to attend. I
28 think that is what my friend has in mind.

29 They are not in camera. It means that if I
30 represent one of the ships involved I will be allowed to



1 English

2 attend the inquiry dealing with the crew when the crew
3 of the ship is being examined or interrogated. My
4 learned friend, if he is representing the other ship,
5 will not be allowed to attend this part of the
6 investigation dealing with the crew officials. I do not
7 think it could be hardly otherwise, because otherwise
8 I would tell my clients not to speak, if I knew Mr.
9 Brisset was there to take notes of everything they had
10 to say concerning the collision, which could result in
11 court action -- and rightly so. I would tell the crew
12 of my ship to shut up and not say a word if Mr. Brisset
13 is there to take notes which he could use against me
14 later on.

15 That stands to reason. It is quite normal.
16 I do not think my learned friend is criticizing such
17 a procedure.

18 THE CHAIRMAN: In any event we will have to
19 look into the matter because there seems to be a great
20 deal of criticism with regard to the way investigations
21 are being carried out. People feel that justice is
22 not being done. I do not know, maybe the decision is
23 right, but it does not seem ----

24 MR. BRISSET: Q. If I may add something to
25 this, the shipping industry that is vitally interested
26 in these matters should be kept informed of what is
27 going on; is that correct?

28 A. Yes.

29 Q. With the Continental Pioneer and Oak Hill
30 referred to earlier being an illustration?



1 English

2 A. Yes.

3 THE CHAIRMAN: If I may add just a remark here
4 that comes to my mind with regard to this disciplinary
5 hearing, the Committee created locally by the Department
6 of Transport. I think the reason for the failure of
7 that is that it was an illegal delegation of disciplinary
8 power that was not provided by the law. Therefore I
9 do not see how any recommendations by a body like that
10 could have any power and could tie the authority who has
11 the disciplinary authority. I think it was an illegal
12 delegation of power and therefore could not be enforced.
13 It would be like a judge delegating his power in the
14 investigation of a criminal matter to somebody else
15 and saying: "I am going to render the discipline you
16 are going to tell me to render".

17 I think this was an illegal thing and it was
18 not enforceable.

19 MR. LALONDE: My friend has said that the
20 shipping industry was not informed in the specific things
21 he referred to. I would like to say the pilots have
22 not been more informed in that respect either. It is not
23 a case of prejudice being caused to the shipping industry
24 as opposed to the pilots.

25 MR. BRISSET: We did not imply anything of the
26 kind.

27 THE CHAIRMAN: That is what I said. Nobody
28 seems to be satisfied with the way in which the
29 investigations are being carried out.

30 I would like to hear the third party who is



1 English

2 always wrong because he is not here, but we will have
3 the occasion to hear them. Maybe there are reasons
4 for that. We will hear them later on.

5 MR. LANGLOIS: In the case of the Oak Hill and
6 the Continental Pioneer, we were not informed of any
7 inquiry, if there was any, by the Department.

8 MR. JACQUES: I know that if you argue strongly
9 and long enough eventually you will get the other side's
10 story as taken down by the investigation.

11 THE CHAIRMAN: By what measure can you get
12 that? That is what we would like to know.

13 MR. JACQUES: Threatening to invoke the
14 Bill of Rights.

15 THE CHAIRMAN: Is that really the right procedure
16 which is satisfactory? This is one of the questions.

17 We will adjourn now for ten minutes.

18 ---A short recess.

19

20 THE CHAIRMAN: We have two samples here of
21 the aerial ice survey report. We heard about that a
22 few days ago in Captain Morrison's testimony, so we
23 are just going to file them as an exhibit. Those
24 are sent by radio.

25 MR. LANGLOIS: That is a facsimile.

26 THE CHAIRMAN: Is that a facsimile? Are
27 those sent by wires?

28 MR. LANGLOIS: Yes, radio.

29 THE CHAIRMAN: We will file ^{them} as Exhibit 925.

30



1 English

2 ---EXHIBIT NO. 925: Samples of ice
3 observations made
4 by aerial survey,
presented in
facsimile-report form.

5 MR. BRISSET: My Lord, I would like to
6 interrupt at this stage the evidence of Captain Matheson
7 under reserve of calling him to review some of the
8 recommendations contained in the brief of the Federation
9 of Pilots. In regard to some of these recommendations
10 we would like to offer some comments. Perhaps with
11 Your Lordship's agreement it would be the proper stage
12 to interrupt this evidence so that cross-examination
13 can take place on the evidence he has given so far
14 which is related to the brief of the Shipping Federation
15 itself.

16 THE CHAIRMAN: I think this is the proper time
17 to do so.

18 Would you be prepared, Mr. Lalonde or Mr.
19 Langlois?

20 If Mr. Lalonde is ready, we will wait for
21 him.

22 CROSS-EXAMINATION BY MR. LALONDE:

23 Q. Captain Matheson, at the beginning of your
24 evidence you have filed with this Commission under
25 Exhibit No. 903 the Act and by-laws of the Shipping
26 Federation. I have had the opportunity of studying
27 these a little bit. I have also studied your brief in
28 which you stress obviously the importance of the
29 shipping industry for the general economy of the country
30 and the importance that you must have a reliable



1 English

2 pilotage service.

3 I think it is agreed in the brief that almost
4 everybody in the country has an interest in the shipping
5 trade as far as the general economy is concerned.

6 Would that be a fair summary of your position?

7 A. Absolutely.

8 Q. I think it would also be fair to state
9 that your view is that pilots as well as ship owners are
10 vitally interested in the shipping trade of Canada?

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1 English

2 pilots and the necessity that they should have the
3 opportunity of being part of truly democratic organizations.
4 I have made a study of your by-laws in the hope of finding
5 some light for the pilots' corporations themselves, and
6 also to get some inspiration from your example and
7 from the statements contained in your brief.

8 I would like to ask you for some clarification
9 of the by-laws which have been filed, and I would like
10 you maybe to have a copy of Exhibit 903 before you for
11 reference.

12 MR. BRISSET: Before Captain Matheson is
13 questioned on these matters I would like to point out
14 to my learned friend and to the Commission that Captain
15 Matheson is a technical man with functions related to
16 technical matters like pilots' aids to navigation, and
17 if the questions are directed towards matters that are
18 really of management or interpretation of by-laws we
19 could provide, with all due respect to Captain Matheson,
20 a more qualified witness to answer these questions.

21 MR. LALONDE: My Lord, the witness has stated
22 that he knows of this document and I am sure that if he
23 feels there are questions which he is not in a position
24 to answer he will state so, and we will ask another
25 witness to provide the information. But he has been
26 in the employment of the Shipping Federation for many
27 years and I am sure that he has experience of the
28 procedure followed in that particular organization.

29 THE CHAIRMAN: You can put the question anyway
30 and Captain Matheson will know whether he is able to



1 English

2 answer it or not. If he is not he may say so.

3 MR. LALONDE: Q. Paragraph 4 states in
4 particular that the executive council -- this is page 9
5 of your by-laws ---?

6 A. Yes.

7 Q. --- states that the executive council has
8 the absolute and unrestricted right to accept or reject
9 or remove such members as they may think fit.

10 Do you have any knowledge as to members being
11 removed by the executive council?

12 A. No; personally, no.

13 Q. Do you have knowledge of members being
14 rejected by the executive council -- applications being
15 made and being rejected?

16 A. No, I don't believe so.

17 The members are fully scrutinized before
18 being accepted as members. But any potential member
19 applying, and, after investigation -- I can't recall any
20 potential member being rejected.

21 Q. So that to your knowledge no member has
22 ever been rejected or removed from the Shipping Federation?

23 A. That is correct.

24 Q. Do you know what the criteria are for
25 rejection or removal of a member? Are there any such
26 criteria?

27 A. I don't believe so. I think that
28 probably when this by-law was started it was a precaution-
29 ary measure more than anything else; I think it was not
30 qualified as to what would justify rejection or removal



1 English

2 from the Federation.

3 MR. BRISSET: If I may supply the information
4 from my own knowledge, a member -- a company -- who
5 would become bankrupt, for instance, would be automatically
6 deprived of membership; a member that would not pay his
7 dues would lose his membership. However, I will add
8 that any member who might be rejected or removed will
9 still have full opportunity to continue to trade; and
10 any member who wants to resign will be permitted to
11 resign; and a member who has so resigned will not be
12 called upon in an indirect way to pay the same dues to
13 the Federation that he would have to pay if he remained
14 a member.

15 MR. LALONDE: Q. Yet the powers provided in
16 article 4 are wholly in the hands of the executive
17 council; is that correct?

18 A. Yes, so it states.

19 Q. Article 10 provides that the executive
20 council may elect affiliated members and, in the same
21 manner, cancel the membership in their discretion. Do
22 you have any affiliated members of the Shipping
23 Federation?

24 A. Not executive council members, no.

25 Q. But article 10 doesn't refer to executive
26 council members. It says that they are affiliated
27 members of the Federation as opposed to full members.

28 A. I am not quite sure about this, My Lord --
29 I would have to get it confirmed -- whether the
30 stevedores could be considered -- or the like -- as



1 English

2 affiliated members.

3 Q. That is, the stevedoring companies?

4 A. The stevedoring companies, yes. I am
5 not quite sure of that. I would have to get that
6 confirmed.

7 Q. In the list that appears as Appendix 1
8 in volume 2 of the brief and which is shown as a list
9 of members, are these actually shipping companies, or
10 do you have stevedoring companies in there? That is
11 page 1 of your volume 2.

12 A. No; but some of the companies are also
13 stevedoring companies. In other words, some of the
14 shipping companies, Mr. Lalonde, also are in the
15 stevedoring business.

16 MR. BRISSET: Like Canadian Import Limited,
17 Quebec Terminals Limited ---

18 THE WITNESS: That is right.

19 MR. BRISSET: St. Lawrence Freighting
20 Corporation?

21 THE WITNESS: That is right.

22 MR. LALONDE: Q. So far as affiliate members
23 are concerned you are not sure of the position?

24 A. No; I don't believe there are any, but I
25 am not quite sure.

26 Q. To proceed to Article 12, it is stated
27 that the funds of the Federation shall be obtained by
28 means of calls from time to time, as the executive
29 council shall think fit, to be made upon the members in
30 the proportion which the tonnage entered, as herein



1 English

2 provided, bears to the tonnage entered in the Federation
3 at the date of call.

4 How do you proceed about fixing these dues?

5 This is set up, by article 12, by the executive council,
6 isn't it?

7 A. That is correct.

8 Q. And is it set on the basis of a budget
9 from year to year?

10 A. Well, of course, the Federation is an
11 unprofitable organization. We have got expenses. If
12 they are more in one year then the levies on the
13 members will be increased to take care of that extra
14 expense; and this is done by the executive council.

15 Q. And what are the dues of the Shipping
16 Federation at the present time.

17 A. I couldn't tell you offhand. We have got
18 a department that deals with this. I haven't got the
19 figures in front of me.

20 Q. Do you know what they were last year?

21 A. No, I don't have them in mind at the
22 moment.

23 Q. Would you mind checking into this and
24 reporting tomorrow morning?

25 A. Yes.

26 MR. BRISSET: My Lord, I would like to enter
27 an objection, as I frankly don't see the purpose of
28 this information with respect to the terms of reference
29 of this Commission. Whether it is entered through
30 various members paying \$10.00 a year, or a hundred dollars



1 English

2 a year would, it would seem to me, be immaterial within
3 the Terms of Reference of this Commission.

4 MR. LALONDE: On my friend's objection I
5 would have to say that the Shipping Federation is trying
6 to get great mileage from the question of cost of
7 trade and the depressed state of the industry and the
8 high cost of pilotage -- I think you called it the
9 spiraling cost of pilotage -- and I think that this has
10 to be considered in relation with other costs to the
11 shipping industry, to take a ship into the St. Lawrence
12 or into the Great Lakes. I think it has a bearing
13 on the evidence. It is certainly not a matter of in-
14 difference whether it costs \$100,000.00 to take a
15 ship into Montreal or \$10.00; and the Shipping Federation
16 is charging so much in that regard.

17 Moreover, I would like to say that this is
18 at least semi-public information because the Canadian
19 Ports and Seaway Directory in 1963 states that the
20 Shipping Federation dues are \$25.00 per season on a
21 tramp basis; for vessels loading on a liner basis, one
22 cent per gross registered ton, payable six times yearly.
23 There is another fee for the Shipping Federation -- a
24 special fee -- in the Seaway, which is for complete
25 entry of the Seaway, \$30.00; for transit to Lake
26 Ontario, \$15.00.

27 These are charges which obviously refer to
28 1962 up to the latest; so I submit that all this is
29 relative information.

30 THE CHAIRMAN: Do you have anything to add, Mr.



1 English

2 Brisset?

3 MR. BRISSET: My Lord, all I can say is that
4 the levy, from what my learned friend has read -- and
5 I must admit I don't know what it is myself, or I didn't
6 know of it at all myself -- appears to be infinitesimal
7 compared to the pilotage dues that have to be paid by
8 these ships. If you pay six cents per registered ton
9 per year, or six times one cent on a 6,000 ton vessel
10 it would be \$60.00 per year on the liner basis. That
11 means on a ship that comes here all through the season.

12 THE CHAIRMAN: Well, this is argument. You
13 made an objection and Mr. Lalonde was asking if the
14 information could be put in. I was wondering if you had
15 anything else to add?

16 MR. BRISSET: No; I will leave it to the
17 Commission to rule.

18 THE CHAIRMAN: Well, we won't take the time
19 at this time. We will take it under advisement and
20 discuss it tomorrow morning.

21 MR. LALONDE: Here again I would like to
22 correct my friend's mathematics. Six thousand tons at
23 one cent is \$60.00, but at six times yearly it makes
24 \$360.00.

25 MR. BRISSET: You are much quicker than I am.

26 MR. LALONDE: And for a ship of 20,000 tons
27 it would be \$1200.00 per year.

28 THE WITNESS: Is this going in the record?

29 MR. LALONDE: Everything I say is going into
30 the record.



1 English

2 THE WITNESS: Well, I think you should repeat
3 what you said there at the latter part of the calculation.
4 What did you arrive at --- ?

5 MR. LALONDE: I took a ship of 20,000 gross
6 tons coming six times a year at one cent a ton; that
7 makes \$1200.00, unless your mathematics are better than
8 mine -- although I admit that mine are not very good.

9 Q.. Would you know whether there has been
10 an increase in the dues since 1962?

11 A. I know that the dues have been revised
12 recently.

13 Q. They have been raised?

14 A. Well, revised.

15 Q. You are using the pilots' language when
16 they ask for an increase in the tariff, I see.

17 I would like to draw your attention to
18 article 21 of the by-laws about the executive council.
19 They say that the executive council, in addition to
20 ex officio members, shall consist of not more than
21 11 representatives elected by the members of the
22 Federation.

23 I have tried to find out elsewhere in the
24 by-laws who are these ex officio members. I must say
25 I haven't found it. Would you know?

26 A. The two immediate past presidents and
27 the president and the vice-president and one other
28 member -- no; just the vice-president.

29 Q. So that the executive council would be
30 composed of what -- fifteen people? -- since you have



1 English

2 eleven elected?

3 A. No; that is included in the ~~constitution~~.

4 Q. But article 21 says you have some
5 ex officio members. That would be members who would not
6 be elected. I could understand that the past president
7 would be ex officio, but do you have other people or
8 organizations which would have a right to sit
9 automatically?

10 A. No.

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1 (English)

2 A. No.

3 Q. I notice that at section 22 the by-
4 laws state that:

5 "In order to be eligible for election to
6 the Executive Council a member must
7 individually represent at least
8 20,000 gross tons."

9 Do you see that?

10 A. Yes.

11 Q. What is the particular reason for
12 this clause?

13 A. So that he will have a fairly
14 substantial interest in shipping before becoming a
15 member of the Federation.

16 Q. Therefore, if I am a smaller shipowner
17 I cannot have any hope of being elected until I
18 represent 20,000 gross tons? Mr. Langlois here, for
19 instance, could not be a member of the Federation al-
20 though he would like to be considered as a shipowner?

21 THE CHAIRMAN: He hopes he will soon be
22 eligible!

23 Q. Is that the rule that is followed?

24 A. Frankly I know of no one who has been
25 rejected as a member of the Federation on that ground.

26 COMMISSIONER RENWICK: I think, My Lord,
27 we should differentiate between representation of
28 tonnage and ownership of tonnage.

29 MR. LALONDE: It says "...who individually
30 represents 20,000 tons."



1 (English)

2 Q. Captain, what does that mean? I
3 suppose it would include both an agent and a shipowner?

4 A. This is an agent or a shipowner.
5 This refers to appointment to the Executive Council.

6 Q. Of course, but your by-laws give all
7 the powers to the Executive Council; that is the
8 point.

9 A. Well, that is the restriction. It
10 applies either to an agent or, as far as I understand,
11 to an owner.

12 Q. The list of members which you have
13 produced in Appendix 1 - does that include companies
14 or members who represent less than 20,000 gross tons,
15 to your knowledge?

16 A. I would not think so. It would be a
17 very small operator that would represent less than
18 20,000 tons.

19 Q. To proceed to section 25 of the by-
20 laws, it is stated that:

21 "The Executive Council may exercise
22 all such powers of the Federation and
23 do on behalf of the Federation all
24 such acts as may be exercised and done
25 by the Federation in general meeting."

26 A. Yes.

27 Q. In your experience with the Federation,
28 is it not a fact that in fact all the powers have been
29 exercised by the Executive Council?

30 A. No, no, I would not say that.



1 (English)

2 Q. What instances do you have to show the
3 contrary?

4 A. Well, I could not give you any
5 particular instances at the present time but the most
6 important decisions are made at general meetings.

7 Q. Such as what?

8 A. In fact, most of the decisions are
9 made at general meetings of the Federation.

10 Q. Such as what? You have the elections
11 obviously.

12 A. Well, I do not like to quote any
13 specific instance regarding the business of the
14 Federation. I would rather not do that.

15 Q. But then you make a statement without
16 having anything to uphold it. Let us take the last
17 revision of the dues - was that made at the general
18 meeting?

19 A. No, as far as dues are concerned they
20 are exclusively a matter for the Executive Council.

21 Q. For the Executive Council?

22 A. They were made by the Executive
23 Council. The Executive Council have that power.

24 Q. Do you have special general meetings
25 pretty frequently?

26 A. Yes. It depends on the developments.
27 Sometimes we have them quite frequently and at other
28 times not so frequently.

29 Q. Did you have special general meetings
30 in the last three years?



1 (English)

2 A. Yes, we must have had.

3 Q. You must have had?

4 A. Yes.

5 Q. Do you remember when?

6 A. Not particularly, no.

7 Q. Will you check into this and tell me
8 tomorrow whether in fact you have had any special
9 general meetings in the last three years?

10 A. Yes.

11 Q. The dues are set by the Executive
12 Council. Is the question of the admission of new
13 members decided by the general meeting or by the
14 Executive Council?

15 A. In regard to the admission of new
16 members, the prospective member has first to be
17 recommended by two other members of the Federation.
18 This recommendation is considered by the general
19 meeting and further considered at an Executive Council
20 meeting.

21 Q. Yes, and the admissions are decided
22 upon by the Executive Council or by the general meeting?

23 A. By the Executive Council.

24 Q. In the last year how many general
25 meetings did you have?

26 A. Oh, I could not say. I just could not
27 say that offhand. I was out of the office quite a
28 lot during the last year and I do not know.

29 Q. I am not talking about Executive
30 Council meetings I am talking about general meetings of



1 (English)

2 members which must be something pretty substantial.

3 A. I could not tell you that.

4 Q. At the same time you say that most
5 decisions are taken at the general meeting of members
6 and not at the Executive Council?

7 A. Yes.

8 Q. In the year before, 1962, you were in
9 the office more often? How many general meetings did
10 you have?

11 A. I do not keep a record of the
12 general meetings we have.

13 Q. Do you have them once a month?

14 A. We have them when it is considered
15 necessary.

16 Q. Will you check tonight on the number
17 of general meetings?

18 A. I wonder if this is pertinent to what
19 the Commission is doing. My counsel is sitting here
20 listening to me talking and I do not know whether the
21 Federation is under investigation by this Commission or
22 not.

23 THE CHAIRMAN: I am not rendering a ruling
24 but I understand your Federation has done a great deal
25 on the question of pilotage and that a request has been
26 made that they be given some power with regard to the
27 administration of pilotage, such as sitting on various
28 boards. Therefore it might be interesting to find out
29 exactly what is the Shipping Federation, how it goes,
30 how it is controlled and so on in order to know what we



1 (English)

2 are dealing with. This is an impression; it is not
3 a ruling.

4 MR. BRISSET: My Lord, as I explained at
5 the beginning, Captain Matheson may not be the proper
6 witness to answer all these questions. Some of them I
7 could perhaps answer myself if the information would be
8 satisfactory. For instance, the general meetings, I
9 understand, are quite frequent. There might be one a
10 week or two in a month and then you might have a month
11 without one. There is no date set. They are held
12 whenever a problem arises - to give an illustration -
13 such as the strike of the longshoremen when of course
14 there were general meetings called and so on.

15 I do not know exactly what my learned
16 friend wants. If he wants to know that in 1962 there
17 were, say, 61 meetings or 58 meetings - is that just
18 the information he wants?

19 MR. LALONDE: For the time being let us
20 say the number of general meetings which I have asked
21 for, the number of meetings in the last three years,
22 general meetings of members. I am not referring to
23 Executive Council meetings. I want the number of the
24 general meetings of members.

25 MR. BRISSET: We will give my friend a
26 number, My Lord, but I repeat what the witness has
27 said. I do not quite see in what way this fits into
28 the terms of reference. I do not see how it is
29 relevant whether there were 300 meetings or 150
30 meetings.



1 (English)

2 THE CHAIRMAN: Unless you have any special
3 objection I wish you would give this information.

4 MR. LALONDE: The pilots are willing to
5 take lessons in democracy from anybody but they want to
6 know where it comes from.

7 MR. LANGLOIS: They want to know the
8 teacher.

9 THE CHAIRMAN: If this is the only purpose,
10 I am wondering whether it would be within our terms of
11 reference.

12 MR. LALONDE: Certainly not, My Lord.

13 Q. This matter would be easy to check,
14 would it not, Captain? You keep minutes?

15 A. Oh yes, I can get the number of
16 meetings but I do not carry it around in my head. I
17 do not know offhand the number of meetings we had in
18 the last three years.

19 THE CHAIRMAN: But this can be checked?

20 THE WITNESS: Yes, this can be checked.

21 Q. I notice in your by-laws you provide
22 for votes by proxy at Executive Council meetings and at
23 general meetings. Is this a practice which is
24 followed frequently?

25 A. There is provision for it but I have
26 never seen it used. To my knowledge it has not been
27 used in the Federation.

28 Q. Article 40 provides for powers of the
29 Executive Council; it gives the power to the
30 Executive Council to delegate any of their powers to a



1 (English)

2 committee or committees consisting of such members of
3 their body as they in their absolute discretion may
4 think fit. Is this the way in which the pilotage
5 committee was set up?

6 A. Yes, we have several committes.

7 Q. What are the powers of the pilotage
8 committee? Are they defined somewhere?

9 A. No, not to my knowledge. In practice
10 the way it works, My Lord, is that the pilotage
11 committee makes recommendations to a general meeting
12 or to the Executive Council meeting. We have several
13 committees like that in addition to the pilotage
14 committee. These committees actually make recommend-
15 ations to the general meeting or to the Executive
16 Council.

17 Q. Do you mean to say that they are pure-
18 ly consultative or advisory to the Executive Council?

19 A. I am not sure how to answer that.

20 MR. BRISSET: If I may say this, My Lord,
21 consultative means that they give advice to the
22 general meeting on which the general meeting will act
23 or will not act. Is that the basis of these committees?

24 THE WITNESS: Yes, that is correct.

25 Q. Is it advice to the general meeting
26 or advice to the Executive Council?

27 A. It could be either.

28 Q. Are members of that committee appoint-
29 ed by the Executive Council?

30 A. I believe they were appointed at a



1 (English)

2 general meeting but I think it was confirmed by the
3 Executive Council.

4 Q. I notice in Article 51 you refer to
5 "scheme of cooperation". You say:

6 "The Executive Council may conclude
7 agreements for cooperation with any
8 other association, companies or
9 persons ... in such manner or such
10 terms as they shall think fit."

11 Do you have any such schemes in operation at the
12 present time?

13 A. I do not know if this is the article
14 that refers to this situation, but the Federation has
15 committees or subcommittees at various ports, for
16 instance, at Halifax, at St. John, New Brunswick.

17 Q. Would that not be district committees
18 as provided in Articles 46 and following? They would
19 be district committees of the Shipping Federation,
20 would they not?

21 A. Yes, that is right.

22 Q. This refers to agreements with other
23 associations and things of that sort.

24 A. I do not believe I can give you an
25 answer. I am not competent to answer that question.

26 MR. BRISSET: My Lord, if I may supply the
27 answer here, the Shipping Federation has affiliations
28 which are described in paragraph 1 of page 2 of the
29 brief:

30 "The Federation is affiliated to the



1 (English)

2 International Chamber of Shipping,
3 London".

4 That is one.

5 MR. LALONDE: Do I understand my friend to
6 state there are no similar affiliations in Canada with
7 other groups?

8 MR. BRISSET: Not that I know of.

9 THE WITNESS: Not that I know of, no.

10 Q. As to the procedure about general
11 meetings I notice you have passed an amending by-law
12 in 1957 which reads as article 28 and which provides
13 for a nominating committee. I notice that the
14 nominating committee is composed of the president,
15 the immediate past president, one other past president
16 and two members of the Executive Council who are not
17 past presidents of the Federation, which in effect
18 means that you have a nominating committee taken in
19 very large majority from the Executive Council itself.

20 A. No, entirely. The nominating
21 committee is entirely from the Executive Council.

22 Q. From the Executive Council?

23 A. Yes.

24 Q. Do you know if it is common practice
25 in other associations or organizations to have
26 nominating committees taken entirely from among the
27 executive directors themselves?

28 A. I could not say.

29 Q. This nominating committee is sending
30 out a list of the candidates it proposes for the



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Matheson, cr.ex.
(Lalonde)

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(English)

various functions?

A. For the ensuing year.



1 English

2 Q. And if anybody has other names to suggest
3 he can send them back later on?

4 A. That is correct.

5 Q. To your knowledge have you ever had other
6 people sending in names different from the nominating
7 committee list?

8 A. No, not since the creation of the
9 nominating committee.

10 Q. Would it be fair to say the elections
11 of the Shipping Federation have always been held without
12 having the necessity of holding a ballot?

13 A. Yes. I have never seen a ballot taken.

14 Q. Does the composition of the executive
15 council change every year? I know they are up for
16 election every year.

17 A. Yes. Well, the situation there is that
18 the president is in office for two years and every two
19 years there are changes in the officers of the executive
20 council. In other words a vice-president is appointed
21 every second year.

22 Q. I have not seen this in the by-laws.
23 You mean to say, the president cannot be elected for
24 more than two terms, or is he up for election every
25 two years?

26 A. Every two years he is up for election.

27 Q. Every two years he is up for election --
28 he is elected for two years?

29 A. Yes.

30 MR. BRISSET: And he has had enough after two



1 English

2 years, has he not?

3 THE WITNESS: Yes. It has always changed
4 after two years. That has been the established
5 practice for years and years.

6 MR. LALONDE: Q. And so far as the membership of
7 the executive council is concerned, does it also change
8 every two years?

9 A. No.

10 Q. Is it a fact that you have had members
11 there for many years on the executive council, the
12 same people?

13 A. Oh, yes, a great number.

14 Q. I notice that you have provisions for
15 general meetings and I understand that it might be
16 easy to hold general meetings in a way. If I look
17 at section 59 of your by-laws at page 24, which says
18 that five members shall be a quorum, this seems to
19 imply that since you have at least eleven and probably
20 thirteen members on the executive council it would be
21 much easier to call general meetings than to call an
22 executive council meeting. Is that not the case?

23 A. Well, I do not understand what you mean
24 by "easier". When a meeting is called the attendants
25 at a general meeting depends on the subjects to be
26 discussed and considered and the interest to the
27 membership generally.

28 Q. Yes, and you have produced a list as
29 appendix 1 which has, it seems, 49 members under the
30 item "firms", 72 representatives and 118 lines --



1 English

2 represented, I suppose.

3 Have you had general meeting with as little
4 as five or ten members present?

5 A. No.

6 Q. What is the minimum number of people who
7 have attended your meetings, Captain Matheson?

8 A. Well, I cannot say exactly but I would
9 venture an estimate at 12 or 15.

10 Q. At your general meetings do you have
11 generally -- what would be a proportion of members who
12 would attend the general meetings generally? Do you
13 have any idea?

14 A. Well, that varies considerably depending on
15 the subject again. If the shipping industry is faced
16 with a strike, for instance, then you get a very good
17 attendance. If matters are going along normally, you
18 may get an average attendance.

19 Q. I notice the executive council meetings
20 as specified in article 21, the amendment of 1954,
21 provide that six members shall form a quorum. Do you
22 know whether there is any particular reason why there
23 should be a larger quorum for an executive council
24 meeting than for a general meeting of members?

25 A. No, I could not give any reason there,
26 unless the by-laws should be amended. Our members
27 are increasing all the time.

28 Q. I notice also that at Section 66 you
29 have provisions for votes to members according to
30 the tonnage they represent.



1 English

2 A. That is correct.

3 Q. That is, you have one vote for the first
4 10,000 tons, two votes for the first complete 15,000
5 tons and then one vote for each additional 10,000 tons?

6 A. That is correct.

7 Q. What are your largest members, the most
8 important ones?

9 A. I think it is a maximum of 10 votes,
10 irrespective of the tonnage you have.

11 Q. And you have several of them who have
12 ten votes?

13 A. Quite a number, yes.

14 Q. Do you also have the case of the grouping
15 of votes, as provided by Section 67 -- that is, two
16 firms getting together to get their votes on a formal
17 basis together?

18 A. No, I have no experience of that.

19 Q. This in effect provides that the larger
20 firms will have more voice in the business of the
21 Federation, does it not?

22 A. Yes, up to a maximum of ten votes, of
23 course.

24 Q. How long have you had a pilotage committee
25 in the Shipping Federation?

26 A. I think the pilotage committee was
27 created in -- I will have to check my records -- around
28 about 1955 probably.

29 Q. How many members do you have on that
30 committee?



1 English

2 A. We have got nine members.

3 Q. Would you provide us with a list of the
4 members of the pilotage committee for the last five
5 years?

6 A. Yes.

7 Q. With the firms they do represent?

8 A. Yes.

9 Q. I also refer you to section 89 of the
10 by-laws, which state ---

11 A. Section what?

12 Q. Section 89 page 31. It states:

13 "Members shall act in reference
14 to all matters within the scope of
15 the purposes of the Federation
16 solely as the Federation or executive
17 council may from time to time direct,
18 in order that those purposes may be
19 effectively accomplished, the intent
20 being that the representatives of
21 the shipping trade shall act as a
22 unit in all matters of general
23 interest thereto".

24 Would you say that this provision has been pretty
25 effective in the past?

26 A. Yes.

27 Q. I also notice that section 91 provides for
28 a penalty of up to \$5,000.00 for the failure to comply
29 with any by-law of the Federation or direction or
30 resolution of the Federation or of the executive council



1 English

2 as they exist or are enacted from time to time. That
3 penalty is decided upon as the executive council may
4 by resolution determine.

5 To your knowledge has such a penalty or
6 penalties ever been imposed on the members?

7 A. No; certainly not in the last seventeen
8 years.

9 Q. Do you have a discipline committee?

10 A. No.

11 Q. I also notice in Section 92 that these
12 by-laws have been approved by general meeting, an
13 extraordinary general meeting. There is no reference
14 to the effect that they had been filed with the
15 Secretary of State of Canada. Does this mean your
16 by-laws do not need to be filed with the Secretary of
17 State at all?

18 MR. BRISSET: My Lord, this is a legal
19 question, the answer to which I do not even know myself
20 and I do not expect that the witness would know.

21 MR. LALONDE: Maybe my friend could inquire
22 himself -- study this matter tonight and give us an
23 answer tomorrow.

24 MR. BRISSET: I utterly refuse, My Lord, to
25 get involved.

26 MR. LALONDE: Q. Has this matter ever been
27 raised -- ~~whether you should file these by-laws with~~
28 the Secretary of State of Canada or not?

29 A. Never had it raised before.

30 MR. LALONDE: I will check into this matter



1 English

2 if my learned friend does not want to, and I will give
3 you the answer free tomorrow.

4 THE CHAIRMAN: You are going to check into it?

5 MR. LALONDE: Yes.

6 THE CHAIRMAN: We will adjourn until tomorrow
7 morning at 10: 0 o'clock.

8 ---Whereupon the hearing adjourned until 10:00 o'clock
9 on February 6th, 1964.

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ROYAL COMMISSION

ON

PILOTAGE

HEARINGS

HELD AT

MONTREAL

VOLUME No.:

102 A

DATE:

Feb. 6, 1964

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ROYAL COMMISSION ON MARINE PILOTAGE

Proceedings of the hearing held
in the Windsor Hotel, Montreal,
Quebec, on Thursday, the 6th
day of February, 1964.

COMMISSION:

The Honourable Mr. Justice Bernier	-	Chairman
Mr. Robert K. Smith	-	Member
Mr. Harold A. Renwick	-	Member
Mr. Gilbert Nadeau	-	Secretary

COMMISSION COUNSEL:

Mr. Maurice Jacques

PRESENT:

Mr. L. Langlois, Q.C.	for the Canadian Merchant Service Guild
Mr. J. Brisset, Q.C.	for the Shipping Federation of Canada
Mr. Marc Lalonde	for the Federation of St. Lawrence River Pilots; Corporation of the Lower St. Lawrence Pilots; the Corporation of the Montreal Harbour Pilots, the Corporation of the Mid-St. Lawrence Pilots; the Corporation of the St. Lawrence River and Seaway Pilots; the Corporation of the Upper St. Lawrence Pilots.



INDEX TO EXHIBITS

<u>NO.</u>	<u>DESCRIPTION</u>	<u>PAGE</u>
926	Minutes of meetings of the Shipping Federation where the brief of the Commission was discussed.	12649
927	List showing companies represented on the Pilotage Committee of the Federation as at August 10th, 1959, and similar list as at February 6th, 1964.	12711
928	List of special general meetings of the Shipping Federation 1961 - 1963.	12713
929	Circular No. 8010 showing dues paid by members of the Shipping Federation up until January 1st, 1964. Circular No. 8090 showing dues paid by the members of the Shipping Federation after January 1st, 1964.	12714



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INDEX TO WITNESSES

NAME

PAGE

MATHESON, CAPTAIN JAMES E.

Cross-Examination by Mr. Lalonde

12637



1 English

Montreal, Quebec,
Thursday,
February 6th, 1964.

3 ---On commencing at 10:00 a.m.

4 THE CHAIRMAN: Gentlemen, from yesterday we
5 had under advisement a question put by Mr. Lalonde with
6 regard to the dues being paid by shipping to the
7 Shipping Federation.

8 We have considered the objection and we have
9 arrived at the conclusion that the question is pertinent
10 and is in relation to our terms of reference.

11 I may add two reasons for this. The first
12 one is to the effect that the Shipping Federation is
13 wishing to be a part of pilotage and that it wishes to
14 be allowed to share in the task of organizing and
15 administering pilots. We have to know what it is and
16 how representative it is.

17 The second reason is that the Shipping
18 Federation, as are the pilots, is a service and therefore
19 it might be interesting to know what the shipping
20 interests think about dealing with the services to
21 shipping.

22 Therefore, since it covers information
23 that may be relevant for us we allow the question.

24 MR. BRISSET: The information that was asked
25 for yesterday, including the particular one you have
26 just mentioned, is now being compiled and will be
27 available later in the date.

28 CAPTAIN JAMES E. MATHESON, recalled

29 CROSS-EXAMINATION BY MR. LALONDE:(continued)

30



1 English

2 Q. Captain Matheson, yesterday I requested
3 the information as to the number of general meetings
4 held during the last three years and asked about the
5 attendance at those meetings. Would you also provide
6 the information as to who was present at these general
7 meetings and how many votes these people present did have
8 each? Is that clear?

9 A. It is rather a tall order, Mr. Lalonde.

10 Q. I am sure you take minutes and it
11 shouldn't be too difficult to make that information
12 available ---

13 MR. BRISSET: We will do our best to have it
14 available as soon as possible; but as Captain Matheson
15 mentioned it will be a tall order and I am afraid it
16 will be a very bulky document.

17 MR. LALONDE: If you prefer to bring the
18 minute book here I might help you in the computing of
19 that information.

20 THE CHAIRMAN: Do you need all of this?

21 MR. LALONDE: Yes; because, My Lord, the
22 point is that it is rather an important point, I think.
23 I don't ask this question just for the fun of it. I
24 think it is important to know whether, in fact, the
25 Shipping Federation is controlled by a small number of
26 companies or representatives.

27 As stated in the by-laws, for instance, it is
28 enough to have five members present at a general meeting.
29 The witness stated that there were many general meetings
30 held, more than even of the executive council -- well,



1 English

2 I don't know whether more than the executive council,
3 but pretty often; and with such a quorum, which is
4 smaller, in fact, than that of the executive council
5 meetings, it would mean that one firm could control the
6 whole operation.

7 THE CHAIRMAN: What you want to know is how
8 representative it is?

9 MR. LALONDE: Yes; I think it is pretty
10 important to know that -- whether, in fact, two or
11 three companies control the whole operation, or whether
12 it is spread generally over the shipping interests. I
13 think it is valuable information.

14 THE CHAIRMAN: Therefore, knowing what you
15 need it may be easier to get the information; because
16 some people might be represented by proxy, or something
17 like that, at meetings. It is not only those who are
18 at these meetings, but it is those who are represented
19 by proxies and those who are present in person.

20 MR. LALONDE: Q. If we refer to Appendix 1
21 in volume 2 of the brief of the Shipping Federation,
22 you provide a list of members of the Shipping Federation.
23 Would you know how many firms in Montreal, engaged in
24 shipping, are not members of the Federation?

25 A. Not exactly, but there are a number; I
26 would say roughly four to six.

27 Q. And would you classify these among the
28 rather smaller firms, or the very small firms in
29 operation?

30 A. No, not necessarily, Mr. Lalonde; some



1 English

2 of them are growing concerns; they started off in a
3 small way and they have been in business for three or
4 four years.

5 Q. Would they be big enough to be admitted
6 into the Federation by now?

7 A. Oh, absolutely.

8 Q. And you wouldn't classify them into the
9 category of flyers-by-night in the field of shipping?

10 A. No; there are one or two of these
11 companies that have been in business for two or three
12 years and seem to be established.

13 MR. BRISSET: Could you give the names of these
14 firms, Captain?

15 THE WITNESS: There is the Kiel Shipping
16 Company; and there is Scandia Shipping Agency.

17 MR. LALONDE: Q. Is Nautilus Shipping Company
18 a member?

19 A. No, Nautilus is not a member -- I don't
20 think so.

21 Q. What kind of service would be available
22 to members of the Shipping Federation which would not
23 be available to the other people outside of the Shipping
24 Federation?

25 A. I just don't understand. What sort of
26 trade they are in, do you mean?

27 Q. No. What kind of services do you provide
28 to your members, which other firms who are not members
29 would not have available?

30 A. Well, we are supplying, on account of the



1 English

2 request yesterday, a list of the services we perform for
3 our members.

4 MR. BRISSET: If I may assist, My Lord, the
5 firms that are not members are not getting any of the
6 services supplied by the Shipping Federation. We will
7 supply a list of these services.

8 THE CHAIRMAN: They are obliged to provide them
9 by themselves?

10 MR. BRISSET: They are obliged to obtain the
11 information, if it is information, or obtain the service,
12 if it is a service, from some other source.

13 THE CHAIRMAN: So if they want to appear before
14 the Commission here they will have to get their own
15 counsel?

16 MR. BRISSET: That is correct.

17 MR. LALONDE: Q. Would these services appear
18 in Exhibit 904, the document which you have produced,
19 entitled "Memorandum of the Shipping Federation of
20 Canada"?

21 A. Yes; that is in line with the services
22 we perform.

23 Q. That you provide?

24 A. Yes.

25 MR. BRISSET: I might add that even although
26 they are not provided with the services they may
27 benefit from the work done by the Shipping Federation
28 without having to pay for it -- the benefits.

29 THE CHAIRMAN: Shall we make it compulsory,
30 Mr. Brisset?



1 English

2 MR. BRISSET: No, no, My Lord; we don't like
3 compulsion.

4 MR. LALONDE: Q. Have you ever heard of
5 pressure being brought upon agencies for refusing to
6 belong to the Shipping Federation? By that I mean
7 pressure being brought upon the people who were sending
8 goods abroad?

9 A. Definitely not.

10 Q. Not in Montrea; have you heard of pressure
11 being brought on the lakes by firms in Montreal,
12 members of the Shipping Federation, with regard to persons
13 who are not members of the Shipping Federation.

14 A. I don't believe so; I can't recall any.

15 Q. In this Exhibit 904, entitled "Memorandum"
16 you state that the Shipping Federation is a member of
17 International Shipping Federation Limited, the
18 International Chamber of Shipping, and I think you also
19 stated that you were a member, or an affiliate, of the
20 British Chamber of Shipping, or the British Shipping
21 Federation. Do you remember having said anything like
22 that?

23 A. No. The names that I gave in my testimony
24 were the Shipping Federation of London, the International
25 Shipping Federation, the Chamber of Shipping of London
26 and the International Chamber of Shipping; and there
27 was the Baltic Conference which I was wasn't sure about;
28 but I can say that we are not members of that
29 organization, but a number of our members are members
30 of the organization.



1 English

2 Q. Has the Baltic Conference anything to do
3 with fixing freight rates?

4 A. No, not to my knowledge.

5 Q. The Chamber of Shipping of London, you
6 mentioned, and also -- what was the other ---?

7 A. The Shipping Federation of London.

8 Q. Yes; this is strictly a British
9 organization, is it?

10 A. Yes, exactly.

11 Q. And what is your status with respect to
12 that organization?

13 A. Very similar. The work performed by
14 the Federation for its members is ---

15 Q. I am sorry; I think you misunderstood
16 my question. What is your status with regard to these
17 organizations? Are you an affiliate, or an active
18 member, or what are you?

19 A. We are an affiliate member of these
20 organizations.

21 Q. Is there any particular reason why you
22 are an affiliate of these particular national groups?
23 You are not affiliated with the American -- what do they
24 call it -- the Institute ----?

25 A. The American Merchant Marine Institute.

26 Q. And I see you are not affiliated with
27 any of the national organizations in Europe either?

28 A. No; but the A.M.M.I. is also a member of
29 the Chamber of Shipping in the United Kingdom, the same
30 as we are.



1 English

2 Q. Is there any particular reason for your
3 affiliation in this case?

4 A. Well ----

5 MR. BRISSET: If it may assist the witness, as
6 I know the situation, the Shipping Federation cannot
7 qualify to become a member of the American Merchant
8 Marine Institute under the by-laws of that Institute
9 which restricts the membership to American interests.
10 However, the Shipping Federation works closely with the
11 A.M.M.I., and I have attended myself joint meetings of
12 both.

13 MR. LALONDE: Thank you.

14 Q. But still the question remains, is there
15 any particular reason why you are affiliated with the
16 British organizations?

17 A. Well, these are very important maritime
18 countries, and Canada, if you will, gets representation
19 through these organizations at various international
20 conferences dealing with shipping.

21 Q. Are the British shipping organizations
22 members of international organizations where you are not
23 represented?

24 A. We are represented on the international
25 organizations through these British organizations.

26 Q. But aren't you a direct member of the
27 International Shipping Federation and the International
28 Chamber of Shipping?

29 A. Yes.

30 Q. So why would you have double



1 English

2 representation, if I may use that expression?

3 A. Well, I don't know if it is double
4 representation. You mean why are we affiliated with
5 the Chamber of Shipping in London in addition to the
6 International Chamber of Shipping?

7 Q. Yes?

8 A. I don't know if I can answer that, Mr.
9 Lalonde.

10 Q. I heard you use the expression yesterday
11 of "principals" -- that you had called, or wired, from
12 your "principals" in England. What were you referring
13 to, or what are you referring to, when you use this
14 expression "principals"?

15 A. Well, I was referring to the principals
16 of our members, not our principals; the principals of
17 our members.

18 Q. And what do you call the principals of
19 your members?

20 A. If you look at Appendix 1, Mr. Lalonde,
21 the principals are in the first column -- the line.

22 Q. What do you call the line?

23 A. In the first column.

24 Q. And what is the relationship between
25 your "principals" and your members, for instance?

26 A. Well, our members are representatives
27 of these principals; they are the agents for these
28 principals.

29 Q. And as agents of these principals what
30 would be their status with respect to their principals?



1 English

2 A. Well, they represent ----

3 Q. Is it just as the word says -- an agent?

4 A. Well, they represent the owners; these
5 lines are the owners of the vessels, and the agent here
6 represents the ships belonging to these lines.

7 THE CHAIRMAN: I see that the representative
8 has to be a person and not a firm, from the list I see
9 here. So the representatives are persons?

10 THE WITNESS: Yes, the representative; but
11 the companies are member companies; and then there is a
12 representative.

13 THE CHAIRMAN: But the one who has the mandate
14 to represent the firm and the line is the person
15 mentioned there?

16 THE WITNESS: Yes.

17 MR. LALONDE: Q. I think, from a reading of
18 the transcript, that what is under "Firm" is the member
19 of the Shipping Federation, and the representatives
20 are the people recognized by the Shipping Federation
21 as representatives of these various firms on the
22 Shipping Federation?

23 A. That is correct.

24

25 --

26

--

27

28

29

--

30



1 English

2 MR. BRISSET: My Lord, in other words the
3 representatives in the third column are those who are
4 entitled to attend the meetings and speak for the
5 member, the member himself representing the various
6 lines appearing in the first column.

7 THE CHAIRMAN: Excuse me. The members may not
8 necessarily be a firm. It could be an individual, if
9 the individual was owning ---

10 MR. LALONDE: Or an agent as such.

11 THE CHAIRMAN: Yes, or an agent as such.

12 MR. LANGLOIS: But is not necessarily a ship
13 owner.

14 THE CHAIRMAN: Not necessarily a ship owner,
15 an agent.

16 MR. BRISSET: I think they are all companies.
17 There is no individual as a member, if I am not
18 mistaken.

19 THE CHAIRMAN: No, but it could be.

20 MR. LALONDE: Q. I notice in the table of
21 representatives you have certain cases where you have
22 one name and other instances where you have four names,
23 in other cases three names and two names. I think the
24 maximum seems to be four.

25 A. The maximum is two, Mr. Lalonde.

26 Q. Yes, I am sorry. Is there any particular
27 reason for this? Does this represent anything, or is
28 it just that the firm has decided to send two
29 alternative representatives?

30 A. Yes. I do not think there is any



1 English

2 significance to it.

3 Q. I see. A firm could send you a list of
4 three if they wanted three alternative representatives?

5 A. Not three; I think it is restricted to
6 two. But some of them choose just to name one
7 representative.

8 Q. And at the meetings of the Shipping
9 Federation only one of each will attend, although he may
10 have up to ten votes?

11 A. They can attend, but only one will be
12 representing the company concerned.

13 Q. Before going into the evidence you gave,
14 Captain Matheson, and the brief itself, Exhibit 726,
15 would you mind telling us how this brief and the
16 recommendations in this brief were approved by the
17 Shipping Federation?

18 A. Yes. It was first drafted in skelton
19 form by the pilotage committee. This form was then
20 presented to a general meeting, the recommendations of
21 the pilotage committee. Then there was a sub-committee
22 of the pilotage committee that worked on the brief
23 with our counsel in preparing the main brief.

24 Q. Yes. Were the final recommendations
25 submitted to the general meeting?

26 A. Yes, in the broad sense.

27 Q. You would have minutes certainly of the
28 meeting where this brief was examined and the
29 recommendations examined, would you not?

30 A. Yes, oh, yes.



1 English

2 Q. Would you mind producing the minutes of
3 the various meetings where this brief was discussed and
4 approved?

5 A. I may say that the skelton brief that I
6 mentioned was also circulated to all members so that
7 they could study it and make comments or suggestions.

8 Q. Did you receive many comments and
9 suggestions?

10 A. No. I think that was left to the meeting
11 to discuss it.

12 Q. Excuse me?

13 A. The suggestions, any suggestions were
14 made at the meeting, I understand, on the brief.

15 Q. So you did not receive any answer to your
16 circular letter proposing various recommendations?

17 A. No; as far as I can recollect we did not
18 request anything. It was just an advice that it would
19 be discussed at a meeting.

20 Q. Would you produce at the same time the
21 people present at the meetings where these were
22 discussed?

23 A. Yes.

24 MR. LALONDE: We might just as well give it a
25 number now.

26 THE CHAIRMAN: It will be 926.

27
28 ---EXHIBIT NO. 926: (To be produced).
29 Minutes of meetings
30 of the Shipping
Federation where the
brief to the Commission
was discussed.



1 English

2 MR. LALONDE: Q. I would like now, Captain, to
3 review some of the evidence you gave on the various
4 districts as such. I will come back to other matters
5 later on.

6 You started your evidence by referring to the
7 Kingston pilotage district and your brief refers in
8 particular to the events in the district of the St.
9 Lawrence-Kingston and Ottawa. I notice from your
10 report at page 30 that the district had been created in
11 1934 but the compulsory payment of pilotage dues was
12 introduced only in 1961. My arithmetic tells me this
13 represents 27 years?

14 A. Yes.

15 Q. Would you say that it took a pretty long
16 time to put into effect something upon which both the
17 pilots and the Shipping Federation were in agreement
18 fundamentally?

19 A. I would have to agree with that; it is
20 a long time.

21 Q. Would you say that fundamentally this
22 has been the issue all the way through the various
23 difficulties encountered in that district? I know
24 there were other matters once in a while, but at the
25 bottom of the difficulties there was this fact?

26 A. Well, as I explained in my testimony, Mr.
27 Lalonde, it certainly was a difficulty, but we seemed
28 to overcome it. In 1952 when I mentioned that we had
29 come to a verbal agreement with the pilots that if the
30 pilots would have available competent licensed pilots,



1 English

2 we would guarantee as far as possible that we would use
3 these pilots.

4 Q. Yes, but, as you say, you could guarantee
5 only as far as possible, as far as you were concerned?

6 A. That is correct.

7 Q. You were not able to guarantee anything
8 as to what would occur really with regard to individual
9 ships?

10 A. That is correct.

11 Q. You said you had these agreements or
12 understandings in 1952 in particular and you said you
13 obtained commitments that there would be qualified
14 pilots. From whom did you obtain this commitment?

15 A. That commitment was obtained from the
16 president of the St. Lawrence-Kingston Pilots.

17 Q. Who was the president at the time?

18 A. Captain George Downey.

19 Q. I notice you had forgotten to mention his
20 name in your evidence before. What were the relations
21 between Captain Downey and the Shipping Federation between
22 1952 and 1958? By this I do not mean to say whether
23 they were good or bad but whether Captain Downey was
24 more or less in the situation of a general contractor
25 for pilotage or something of the sort with regard to
26 the Shipping Federation?

27 A. No, I would not describe it like that.
28 My impression was that Captain Downey wanted to do his
29 best for the district and the pilots in the district.
30 Subsequently between 1955 and 1958, as you mention, he



1 English

2 did take on an assignment with respect to dispatching
3 sailing masters. Is that what you are referring to?

4 That also was done in the interests of his
5 own district because that was one of the difficulties
6 we had in making this verbal agreement.

7 I spoke about "foolproof" as far as the
8 Federation was concerned. Ships coming down the lakes
9 with sailing masters, they were supposed to disembark
10 the sailing master at Kingston. On some occasions
11 the sailing master would convince the master that he
12 was quite competent in taking the ship to Montreal and
13 that is what they wanted to do. Of course, the sailing
14 master would come right through to Montreal instead of
15 getting off at Kingston.

16 When Downey came into the picture as far as
17 dispatching sailing masters is concerned that was
18 stopped. Therefore the Kingston pilots got all the work.

19 The only other difficulty we had then, as
20 I explained in my previous testimony, was in the inland
21 navigation ships which we had no control over.

22 Q. Was Captain Downey remunerated by the
23 Shipping Federation for that service?

24 A. Not himself. There was ~~the~~ secretary
25 that was doing this work, as far as I can recall, and I
26 believe there was some provision made to compensate
27 this secretary for the work. I think this situation,
28 as far as I can recall now, lasted just about a year.
29 Then we received co-operation from the dispatching
30 office at Kingston and it was then done by the chief



1 English

2 dispatcher.

3 MR. BRISSET: The government dispatcher?

4 THE WITNESS: Chief government dispatcher.

5 MR. LALONDE: Q. But this service for that
6 period was paid by the Shipping Federation?

7 A. Yes.

8 Q. Before the government took over?

9 A. Yes.

10 Q. Did the Dominion Marine Association and
11 the Canadian Ship Owners Association have anything to
12 do with the difficulties which you had in putting into
13 effect the compulsory payment of pilotage dues between
14 Montreal and Kingston?

15 A. Not the Canadian Ship Owners Association.
16 The demand for a compulsory payment of pilotage dues, while
17 in the first instance it applied only to ocean
18 ships, it eventually applied to all ships and the
19 Dominion Marine were involved to that extent.

20 Q. But to your knowledge did they run into
21 any difficulty in the implementation of the system of
22 compulsory payment of pilotage dues?

23 A. How do you mean, Mr. Lalonde?

24 Q. Did they raise any objections at the
25 meetings which you attended, or to your knowledge did
26 they make representation to the Department of Transport
27 that this should not have been so?

28 A. As far as I can recollect -- let me put
29 it like this -- the pilots did not get the same
30 cooperation and backing in the demands for compulsory



1 English

2 payment of pilotage dues from the Dominion Marine that
3 they had from the Shipping Federation.

4 Q. In fact did they not get opposition from
5 the Dominion Marine?

6 A. Probably that would be correct.

7 Q. Before I proceed, you state at page 31
8 that negotiations were carried in an atmosphere of
9 mutual respect between 1952 and later on. Did you have
10 frequent meetings with Captain Downey?

11 A. Yes, Downey, and as far as I can
12 recollect, although I was dealing mainly with the
13 president, there were one or two others on the
14 committee. They had a committee at that time.

15 Q. Were these other persons attending these
16 meetings regularly?

17 A. Not regularly, no.

18 Q. You referred to a strike which occurred
19 in 1957. Is there any particular reason why you left
20 out of your brief the strike which occurred in 1955?

21 A. No particular reason, no. As a matter
22 of fact to be perfectly frank I had forgotten all about
23 that one.

24 Q. I see. So it would not be because it
25 would not fit to your scheme, to the general scheme
26 that strikes were due to corporations?

27 A. No.

28 Q. It was just an innocent ---

29 A. Absolutely. I had forgotten about it.
30 I was surprised when it was brought up by one of the



1 English

2 pilots, I think in testimony.

3 Q. As you know, the corporation was
4 established on April 19th, 1956 in the Cornwall-St. Lawrence-
5 Kingston and Ottawa district. The strike did occur
6 before then?

7 A. That is correct.

8 Q. In your brief at page 32 you refer to an
9 agreement which was reached as far as tariffs were
10 concerned and that there was a revision which was done
11 in their tariffs mainly on account of domestic ships.
12 What is the reason why you have a rate for canalling and
13 a full trip rate?

14 A. Yes, there were two rates, a rate for
15 canalling and a rate for river pilots.

16 MR. BRISSET: Why, is the question.

17 THE WITNESS: I think the domestic shipping
18 did their own canalling.

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1 (English)

2 You referred in your evidence to a decision taken in
3 1957 or a suggestion or proposal by the Department to
4 abolish the district. You said there was a meeting at
5 Montreal where representatives of the Department made
6 such a proposal some time in 1957, probably at the end
7 of the strike, or after this. Was this a meeting which
8 was held with the Shipping Federation?

9 A. Yes.

10 Q. Were any pilots' representatives present?

11 A. I really cannot recall. I do not
12 think so. I think that was a meeting between the
13 Department and the Shipping Federation.

14 Q. And you stated that the Shipping
15 Federation were opposed to the abolition of the District
16 as considered by the Department; is that a fact?

17 A. Yes.

18 Q. If that is the case, can you explain
19 why in a letter dated October 30th 1959, which you have
20 tabled as Exhibit 912, you recommend that the Minister
21 send to the pilots, prior to the opening of navigation in
22 1960, the following telegram or note - and you took the
23 trouble of writing it out for the Minister:

24 "CANCELLATION OF THE DISTRICT WITH THE
25 DEPARTMENT SETTING UP A STAFF OF
26 GOVERNMENT PILOTS AS IN THE PORT
27 WELLER-SARNIA AREA."

28 A. Well, that was subsequent to 1957 and
29 we were having so many difficulties, strikes and threats
30 of strikes, that we no longer supported the view that the



1 (English)

2 district should not be abolished.

3 MR. BRISSET: What do you mean by abolished?

4 THE WITNESS: I think what we really meant
5 was that they would be taken on as employees of the
6 government.

7 COMMISSIONER SMITH: The legislation revoked?

8 THE WITNESS: Yes.

9 Q. In effect, rather than abolition of the
10 district what you wanted in fact was the abolition of the
11 corporation?

12 A. No. No, I do not believe so.

13 Q. Because the district would have re-
14 mained as a district in your recommendation, even if the
15 pilots had become government employees. Was this not
16 really the object of this recommendation since in 1957
17 the corporation had hardly started its existence?

18 A. No, I do not think it had anything to
19 do with the corporations at all, Mr. Lalonde. You see,
20 what we have always wanted in pilotage is responsible
21 control. We were faced with so many strikes we felt
22 that we did not have that.

23 Q. But by 1957 you already had had two
24 strikes in the district?

25 A. That is so.

26 Q. Later on in your evidence you mentioned
27 that there was a change in policy in the Department at
28 some time when more or less you felt that the Department
29 took over too large a role by dealing directly with the
30 pilots or with the shipowners. Do you remember this?



1 (English)

2 A. Yes.

3 Q. And you made a statement to the effect
4 that ministers - referring probably to Ministers of
5 Transport - suffered political pressures from pilots at
6 times of election. Do you have any evidence on this?

7 A. I think the record will show that just
8 on the eve of these elections there was pressure put
9 on the minister and there were numerous concessions given
10 to the pilots just about that time. It has happened
11 not only with one minister; it happened, if we can
12 mention names, with Mr. Marler, it happened with Mr.
13 Hees, and it did not happen so much with Mr. Balcer.

14 Q. Is it because there were elections
15 almost every year between 1956 and 1962?

16 MR. BRISSET: That would help, My Lord.

17 Q. Do you mean to say that the pilots had
18 special information as to the fact that there would be
19 an election coming in so many months this year or next
20 year?

21 A. They seemed to be well advised in that
22 regard.

23 Q. So they would have had special infor-
24 mation from the Cabinet about the Prime Minister's
25 decision? Is that the only evidence you have in this
26 matter?

27 A. I suppose so.

28 COMMISSIONER SMITH: Mr. Lalonde, are you
29 going to come back for further interrogation concerning
30 the Montreal District?



1 (English)

2 MR. LALONDE: Yes, Mr. Smith. I am just
3 following the same order as that which was followed by
4 my learned friend Mr. Brisset.

5 Q. The pilots knew in April 1962 that there
6 would be an election coming in a year or in a few months'
7 time?

8 A. I do not think that is exactly what we
9 mean, but the pilots had demands put in to the govern-
10 ment and when there were known elections coming along
11 they seemed to put additional pressure on the Minister
12 to get their demands satisfied. That is what I mean.

13 Q. Would you say the same thing happened
14 to the Dominion Marine and the Shipping Federation as
15 to their demands?

16 A. No, we did not seem to have the same
17 political influence as the pilots had.

18 Q. Even though the Dominion Marine, for
19 one, counted quite a few senators in the House as
20 directors on the board or as owners?

21 A. I cannot help what happened with
22 Dominion; we had no friends in the government.

23 THE CHAIRMAN: Perhaps the pressure was more
24 constant and the government was more vulnerable.

25 Q. It might be that they had demands that
26 were continuous and maybe the government was more willing
27 to grant them before an election?

28 A. I would agree with that.

29 Q. You might have the same amount of
30 pressure all the time, but at certain periods there



1 (English)

2 would be less resistance, perhaps?

3 MR. JACQUES: The file would suddenly find
4 its way onto the Minister's desk?

5 THE WITNESS: Yes.

6 Q. I also noticed that you produced
7 Exhibit 908 which contains a letter to Mr. Baldwin,
8 dated July 23rd 1957. It is about the Montreal-Quebec
9 Pilotage District. Here I would like to draw your
10 attention to the fact that the corporation in that
11 district was set up in 1959, that is two years later than
12 this letter, and your second paragraph states:

13 "Perhaps I should preface my remarks
14 by saying that our Executive Council
15 and our members as a whole have been
16 greatly concerned about the deteriora-
17 tion in our relations with the pilot
18 body in the Montreal-Quebec District
19 that has developed within the past few
20 years" -

21 which seems to indicate that there was concern and
22 difficulties which had been current for a few years
23 before. Is it a fair statement to say that this had
24 nothing to do with the setting up of a corporation,
25 certainly that a corporation could not be a cause of
26 these troubles?

27 A. Yes, I think the difficulties that
28 were referred to in that letter were what I described in
29 my previous testimony, Mr. Lalonde. Any difficulties
30 we had with the pilots were on account of the system of



1 (English)

2 the tariff. We were required to come to an agreement
3 on discussing unknown factors. That in fact was the
4 origin of our proposal in which we have been consistent
5 ever since, our proposal to have some sort of target
6 income for the pilots.

7 Q. If it might refresh your memory in
8 connection with these difficulties this whole letter
9 deals with the problems of special pilots and training
10 and apprenticeship of pilots. You might say now that
11 you think these were the troubles or the difficulties at
12 the time, but a letter written at the time was probably
13 more accurate in stating the situation as it was or as
14 it was seen to be at that time. That was seven years
15 ago.

16 A. Well, there were naturally, of course,
17 other difficulties. The number of pilots and that type
18 of thing is another aspect on which I gave testimony.
19 I said that we should have some formula or some yardstick
20 for determining the number of pilots in the district.

21 Q. I am coming to the local committees.
22 I have looked at some of the reports which you have
23 produced as Exhibit 909 and I notice that right from the
24 start, whilst the proposal was to have two representatives
25 of the shipping interests, two from the pilots and two
26 from the government, and maybe one or two from other
27 bodies, the Dominion Marine requested that they should
28 have two representatives and that the Shipping Federation
29 should have two representatives.

30 A. Yes. I can recall that.



1 (English)

2 Q. It is reported in Exhibit 908. They
3 wanted to have representation separate from the
4 Canadian Shipowners Association?

5 A. Yes.

6 Q. Which meant that they also had another
7 representative of the Canadian Shipowners Association
8 sitting there, and the conclusion was that the number of
9 pilots should be equal to the shipowners' representatives
10 if desired by the pilotage group.

11 A. Exactly.

12 Q. Which in effect meant a local committee
13 of twelve people if the pilots wanted to have the same
14 representation?

15 A. Yes, but these organizations were not
16 fully represented. I think if you look at these
17 minutes you will see that.

18 Q. I am coming to this point, but the
19 question is not whether in fact or whether de facto one
20 attends the meetings; the point is how many members
21 one is entitled to send. As you know, this is a
22 matter that has to be decided first. You may decide
23 that you will each have six members and only one on one
24 side will appear, and you will be six against one and
25 you have nobody to accuse but yourself in such a
26 situation if you are in a minority.

27 A. Well, we certainly did not feel that the
28 pilots should be in a minority. As a matter of fact,
29 we would be quite willing to have them in the majority.
30 But the Federation felt that they should have two



1 (English)

2 representatives and the Federation was more interested
3 in pilots and pilotage than ---

4 Q. I am not asking you about this
5 particular point, but would you not say that a local
6 committee of twelve was a little big for reasonable
7 operation?

8 A. Yes, I will agree with that. It is
9 unwieldy, and that is not a good thing.

10 Q. I looked at the other minutes and, as
11 you stated, I noticed that at the following meeting the
12 Federation was not represented and at the third meeting
13 the shipowners were not represented and the Dominion
14 Marine were not represented - and on and on. In effect,
15 you had a committee on which, right from the start,
16 people were insisting upon being entitled to have
17 representatives but did not care too much what went on
18 afterwards?

19 A. That is right; that is about it. The
20 Dominion Marine was never very interested in pilotage
21 anyway.

22 Q. I may be raising only a question of
23 linguistics or semantics here, but all through your
24 brief and your evidence you refer to a committee which
25 you call the interdepartmental committee. Is that a
26 title given to the committee by the government or is it
27 a title you have chosen?

28 A. I think that was created by the
29 government. I think we had a letter and I think a
30 letter has been filed in which the government had, in



1 (English)

2 writing to the Federation, referred to this committee as
3 an interdepartmental committee. In other words, we
4 did not invent that; that was a name that came from the
5 government.

6 Q. Does it not strike you that it should
7 rather be something like intradepartmental committee?
8 Did you ever see representatives from other departments
9 sitting on that committee?

10 A. No.

11 Q. As I say, it may be just a question of
12 semantics, but it is rather odd to see this expression
13 being carried over.



1 English

2 Q. Now, in your evidence you also referred
3 to meetings of local committees where apprentice schemes
4 were discussed, and you say, referring in particular
5 to a meeting held in 1958, that the Dominion Marine and
6 the Pilots "...have nothing to offer...". However, as
7 I read ----

8 A. No, I don't think I said they had nothing
9 to offer.

10 Q. Well, I could find it in the transcript,
11 but if you say you didn't say that I will accept your
12 word.

13 A. If you want me to go over it again, what
14 I referred to was that at the second local committee
15 meeting, when the subject of training was discussed,
16 it was suggested that the Associations and the Pilots,
17 at the following meeting get something in writing; and
18 at the following meeting the Federation submitted a
19 memorandum, and that is incorporated in the minute; but
20 there was nothing submitted from the other Associations
21 in writing or from the pilots; although in discussions
22 the counsel for the Pilots had notes, obviously made
23 on his discussions with his client, and he was
24 referring to these notes.

25 When I asked why something wasn't submitted
26 in writing, so far as I can recall the counsel for the
27 Pilots promised to put his notes in order, and when that
28 was done then he would send me his notes; and this, in
29 fact, was done.

30 Q. Well, may I refer to this first meeting



1 English

2 which you have just talked about. The notes taken by
3 yourself, and which appear as a memorandum to the
4 Pilots Advisory Committee, as part of Exhibit 908 and
5 this report signed by yourself, don't refer at all
6 to the agreement that something in writing should be
7 sent.

8 A. No; but the next one does.

9 Q. The next one, which was held when?

10 A. November 7th.

11 Q. Well, then, at particular meeting ---

12 A. Just a minute. It may have been left
13 out of the first one that I completed, but that is
14 my recollection of what actually transpired; and that
15 is the reason why the second one was incorporated in
16 the minutes as our memorandum, because it was tabled.

17 Q. You might have tabled it, indeed, but
18 the point is that it just doesn't appear in the notes
19 that there was agreement to produce them in writing.
20 The agreement was that this matter should be raised at
21 the next meeting; and if you look at the notes -- the
22 minutes of that meeting of November 7th, 1958 you will
23 notice that the pilots' representation on the subject
24 at the time, particularly in what you say at pages 5
25 and 6, is certainly as elaborate and in more detail
26 than your own representation or presentation at the
27 beginning of this meeting?

28 A. Yes. Well, that is what I was referring
29 to, Mr. Lalonde, when I said that counsel for the
30 pilots was referring to notes when we were discussing



English

this.

Q. But in your previous statement you had said that Dominion Marine and Pilots had nothing to offer at the time.

A. No; that was a mistake. They didn't submit anything in writing, but the Federation did.

Q. You also stated in your evidence that the formation of this departmental committee brought a deterioration in relations between pilots and ship owners. Would you mind elaborating on this and giving us in what way this departmental committee would have brought this deterioration?

A. Well, I touched on this in previous testimony. Where the Federation previously had been dealing more or less direction with the pilots, there was a new concept introduced with this departmental committee, in that the Department of Transport took control of the discussions between the shipping interests and the pilots, and the atmosphere created at these meetings was not conducive to good relations, in my opinion, in that the departmental committee sat in judgment and the pilots made representations and the ship owners made representations and there was no genuine attempt to come to agreement. Then, after these meetings the Department -- when the atmosphere deteriorated between the pilots and the shipping companies -- the department returned to Ottawa, evidently to decide on the arguments put forward; but there was never any decision forthcoming.



1 English

2 That is what I mean by this new concept that
3 was introduced.

4 MR. JACQUES: In other words, disputes still
5 went on and the only thing the Committee did was to
6 provide a different way of disputing among yourselves?

7 THE WITNESS: Yes; and as a result of these
8 meetings the relationship between the pilots and the
9 ship owners deteriorated; and there was no decision --
10 there was lack of decision. Of course, that has been
11 one of the main troubles in pilotage, in my opinion,
12 that, rightly or wrongly, there was no decision made
13 -- delay, delay, delay.

14 MR. BRISSET: Do you mean to say that a wrong
15 decision is better than no decision at all?

16 THE WITNESS: I would say so -- some sort of
17 decision. You can't administrate unless decisions are
18 made, in my opinion.

19 MR. JACQUES: And this state of indecision to
20 which you refer has lasted since when, to the best of
21 your recollection?

22 THE WITNESS: Well, it has lasted ever since
23 the Department took a more active part in dealings
24 between the pilots and the shipping interests.

25 MR. JACQUES: Could you pinpoint it to a
26 year?

27 THE WITNESS: Well, the situation started
28 deteriorating in 1958 in this regard, I would say -- in
29 early 1958.

30 MR. JACQUES: Doesn't that coincide with, let



1 English

2 us call it, the rise and increased influence of Monsieur
3 Guerin Lajoie in the pilotogage movement?

4 THE WITNESS: Well, in this regard, that the
5 pilots started to deal at that time directly with the
6 government rather than the situation that I described
7 that existed previously where there was more direct
8 negotiations between the federation and the pilot.

9 Prior to 1958 there was -- I would say that
10 the Department encouraged ^{the} /two parties to get together
11 and solve their difficulties, but subsequent to 1958
12 the representations were made to the Department and it
13 was handled more or less from the Department -- by the
14 Department -- from then on.

15 MR. JACQUES: Wouldn't it be fair to say that
16 prior to 1958 the Department was mainly interested just
17 in approving agreements which had been concluded between
18 the two parties?

19 THE WITNESS: That would be correct, yes.

20 MR. JACQUES: And after 1958 it was faced with
21 the position where it had to decide as between two
22 conflicts of interest presented by either party?

23 THE WITNESS: Correct.

24 MR. LALONDE: Q. You also refer to a strike
25 which occurred in 1958 in the St. Lawrence-Kingston-
26 Ottawa district, and you say that the pilots refused
27 to cross the picket lines of the sailing masters at the
28 time. Is it a fact that as soon as an injunction was
29 granted to the Shipping Federation the pilots did cross
30 the lines, and that, as a matter of fact, the officers



1 English

2 of the corporation -- Mr. Chartier -- did cross
3 the lines when the injunction was granted?

4 A. Yes; that was on account of pressure that
5 was exerted on Mr. Chartier by the Federation and myself
6 particularly and the attitude of the Department of
7 Transport.

8 Q. Wouldn't it be fairer to say that it was
9 because of the injunction period, and that as soon as
10 the injunction was granted they did cross the picket
11 lines?

12 A. No, I don't think I can agree with that.

13 Q. Is it a fact that they did cross the
14 picket lines as soon as the injunction was granted?

15 A. That is so.

16 Q. Now, you also referred in 1959 to
17 discussions or negotiations which would have taken place
18 and in which there would have been agreement between
19 pilots about the target income of \$10,600.00 -- the
20 target income or average income, or whatever you want
21 to call it. I have been looking at the minutes of
22 the meetings which took place at that time. I have
23 also looked at the correspondence. I have not been
24 able to find anything which would support such a
25 contention, either in the correspondence of the pilots
26 or in the minutes of the meetings.

27 Would you have any reference to this in those
28 minutes, which I might have overlooked?

29 A. What minutes are you referring to -- the
30 minutes by the Department of Transport, or ---?



1 English

2 Q. By the Department of Transport, that
3 appear as Appendix 14 of volume 2 of your brief; and
4 then there is subsequent correspondence. Is it possible
5 that you assumed that there was such an agreement
6 while, in fact, it didn't exist at all?

7 A. No; there was no assumption about it,
8 Mr. Lalonde.

9 Q. How is it you have nothing at all in
10 the minutes about such an agreement? I note that this
11 meeting was divided into two parts, and it was held
12 in the Shipping Federation office, the first part of
13 the meeting being shared by Mr. Boyle of the Shipping
14 Federation and having the departmental officials in
15 attendance; and then Mr. Boyle left the chair to Mr.
16 Cumyn and then the pilots came in and you continued
17 the same meeting as an official departmental meeting
18 in the Shipping Federation's office.

19 Could it not be that you had that agreement
20 with the Departmental officials in the first part of
21 the meeting when the pilots were not there and you
22 assumed that, since it was agreed with the Department,
23 then, the pilots, ipso facto, were made a party to the
24 agreement?

25 A. No. My recollection, Mr. Lalonde, is
26 that the pilots were present; and the way it came about
27 was that the pilots, after considerable discussion --
28 we had resolved the time factor I spoke about in
29 previous testimony, and then there was the question of
30 the revenue we would require to raise, and it was at



1 English

2 that time that the pilots stated that they would be
3 satisfied with the previous year's earnings which were
4 \$10,600.00.

5 Q. You mean to say that nothing would appear
6 in the minutes -- that the pilots would have agreed to
7 this and no discussion would have taken place about
8 whether it was to be counted on effective pilots, or
9 the real number of pilots, or what the work load might
10 have been, whether they would have handled twenty
11 ships or 200 ships? There was no consideration to the
12 work load at all.

13 A. When I talk about the time factor, this
14 was the work load. This is what we were discussing;
15 how long the pilot would be on duty and how long the
16 trips would be he would make from Montreal or Kingston;
17 and when that was resolved the other factor to be
18 resolved was to come up with a tariff -- the amount of
19 revenue to be raised to pay the pilots.

20 Q. You mean it hadn't occurred to
21 you to consider the number of trips they should make
22 in the district?

23 A. It would come up in the time factor;
24 but it was all on that basis.

25 Q. How many trips did you arrive at as an
26 estimate of what should be the work load in this
27 district?

28 A. It was all an estimate; and the tariff
29 was arrived at and agreed to on the basis that it would
30 be reviewed.



1 English

2 No one could say how many trips were
3 necessitated. It was done on that basis, that it would
4 be reviewed during the season -- early in the season
5 and as soon as possible once there was sufficient time
6 to assess what the tariff was going to produce.

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1 English

2 Q. But still the minutes would not show
3 that -- or would they?

4 A. I am sure this is recorded somewhere.
5 That is the fact.

6 Q. I refer you in particular to page 43 of
7 your brief where it is stated that Mr. Cumyn stated
8 that he was prepared to make recommendations to the
9 Treasury Department that a grant be made available should
10 should the earnings realized by the pilots not come up
11 to the last year's average earnings, approximately
12 \$10,600.00, and before Mr. Cumyn had indeed stated that
13 the Department would endeavour to review any rate
14 structure agreed upon during the season and readjust
15 the rates upward or downward dependent on revenues
16 realized.

17 The next thing which is reported is that Mr.
18 Boyle then advised the pilots of the proposals of the
19 Federation as above mentioned. They discussed tariff
20 and what Mr. Cumyn states there is in effect what was
21 agreed to with the Shipping Federation in the first
22 part of the meeting. But there is no reference at all
23 as to what the stand of the pilots was.

24 A. What the what?

25 Q. What the stand of the pilots was at that
26 particular time -- whether the pilots took any
27 particular stand. There is no reference to any
28 discussion about work load affecting the pilots and all
29 that.

30 You mean to say that the pilots would have



1 English

2 agreed to such a basis without agreeing to work load
3 in the basis of calculation?

4 A. Of course, there were discussions with
5 the pilots. They had very strong views as to what
6 should happen.

7 As I previously stated, this tariff, which was
8 a fairly simple tariff, was introduced by the officials
9 of the Department of Transport as a result of their
10 agreement or their discussion regarding the length of
11 time, the time factor, on the basis of the pilots
12 agreeing to the previous year's earnings.

13 Q. I submit to you that after five years the
14 minutes of the meeting are probably more reliable than
15 one's own memory?

16 MR. BRISSET: This is debatable, My Lord.

17 MR. LALONDE: I think in strict law one could
18 say that one cannot contradict written documents by
19 oral evidence.

20 THE CHAIRMAN: I have no comment on that.

21 MR. LALONDE: Q. I would like to proceed to
22 another point, the famous Queen's ship pilot. That is
23 '59, is it not?

24 You seem to be surprised that the pilots had
25 strong views about this and that they seemed to have
26 let their imperial feelings take over their reason in
27 this debate. Did you have strong feelings yourself
28 about this point?

29 A. Well, I would not describe it as strong
30 feelings. I certainly had feelings about the situation.



1 English

2 Q. Did the Shipping Federation recommend
3 particular pilots to the Department in the various
4 districts at the particular time?

5 A. Definitely no.

6 Q. Did you recommend a particular pilot to
7 the Department in the St. Lawrence-Kingston-Ottawa
8 district?

9 A. Definitely not.

10 Q. Are you sure of that?

11 A. Yes. It was announced by the Department;
12 some way or another it came to our ears that the
13 Department had decided that the senior pilot in the
14 district, who was a naval reserve, ex-naval officer, would
15 be assigned to this. That was announced.

16 Q. For this particular district or for all
17 districts?

18 A. It was announced, I say, referring to
19 this particular district, but I understand -- I forget
20 about other districts, but I understand there was a
21 similar policy announced or agreed to by the Department
22 with respect to the other districts.

23 Q. Did you say that this rule applied only
24 to that particular district?

25 A. Let us confine ourselves to this
26 particular district first.

27 Q. Yes.

28 A. An announcement was made by the Department
29 of Transport that the senior pilot in this Kingston
30 district would be assigned to the job.



1 English

2 Q. Do you know who was the senior pilot in
3 that district?

4 A. Captain Downey.

5 Q. Do you not know in fact that the senior
6 pilot of that district was not Captain Downey but
7 Captain Patrick Dussault?

8 MR. BRISSET: My Lord, I would like to bring
9 my friend's attention to the evidence already before
10 this Commission to the effect that Captain Downey's
11 license was No. 1 for the St. Lawrence-Kingston district.

12 MR. LALONDE: My Lord, this does not mean
13 anything, for the good reason that in Quebec for instance
14 we always keep the same number on a license and you
15 might have a very junior pilot with the No. 1 at the
16 time because he has taken over the number of a retired
17 pilot.

18 MR. BRISSET: I think Captain Downey already
19 said he got the first one ever issued in that district.

20 THE CHAIRMAN: This can be clarified very
21 easily when we are in Ottawa. Take note of it. The
22 files of the Department will show it.

23 MR. LALONDE: Q. Are you aware that in all
24 the other districts in the St. Lawrence River the
25 procedure followed by the Department was that they had
26 written to the pilots' associations or corporations and
27 asked them to select amongst themselves the pilot who
28 would go on board the ship?

29 A. No, I do not think I was aware of that.

30 Q. I see. Do you know any particular reason



1 English

2 why they would have followed a different procedure in
3 the St. Lawrence-Kingston-Ottawa district?

4 A. Perhaps the Department can explain why
5 they announced that the senior pilot in the Kingston
6 district would do the job and then subsequently they
7 changed this. They can explain that; I cannot.

8 Q. In the discussions which took place in
9 1959 about the requests by the pilots of St. Lawrence-
10 Kingston-Ottawa -- which you reproduced as Appendix 21 --
11 June 11th, 1959, you have a list of seven points which
12 the pilots raised and wanted a solution to.

13 Would you mind indicating among the list
14 the requests to which the Shipping Federation took
15 exception, or took strong exception, let us say -- if
16 there was any in fact?

17 A. Are you referring to the Kingston district
18 now?

19 Q. Yes, the St. Lawrence-Kingston-Ottawa
20 district, Appendix 21, the list of requests made.

21 A. What is the question again?

22 Q. The question was, were there any points
23 in this list to which you took strong exception? I
24 mean, these were requests that the pilots complained
25 had been made for a long time and the Department was
26 just sitting on them, and they wanted urgent solutions
27 before the matter was delayed any further. Would it
28 be fair to say that generally these recommendations had
29 received the tacit agreement of the Shipping Federation?

30 A. I think so.



1 English

2 Q. Nonetheless ---

3 A. Just a minute now. I do not think we
4 could agree with this. I think the position we actually
5 took was that we were in disagreement with this.

6 Q. Which one were you in disagreement with?

7 A. Oh, most of them.

8 Q. Most of them. Which one were you in
9 agreement with then?

10 A. We were in agreement with No. 1. That
11 was eventually agreed to, as far as I can recollect.

12 Q. Two, three and four relate to harbour
13 and river pilots.

14 A. Yes; I think we were in agreement.

15 Q. We are relating this to the St. Lawrence--
16 Kingston-Ottawa pilots. Then you have five. You had
17 agreed with the tariff; there was an agreement on the
18 tariff and it was not yet in force at the time?

19 A. That is right.

20 Q. So this one you certainly had no objection
21 to, did you?

22 A. No.

23 Q. Then six is about probationary pilots.
24 The pilots were willing to pay for them in order to have
25 additional pilots to train and they said all that is
26 needed is the consent of ship operators or provision
27 in the by-laws to let probationary pilots accompany
28 pilots on board ship.

29 Did you have objection at the time, 1959, of
30 the opening of the Seaway to having probationary pilots



1 English

2 with the influx of ships you had at that time?

3 A. No, we would not have any objection to
4 that.

5 Q. Then there is the last point about the
6 pilot on the Royal yacht. As you stated, you had feelings,
7 but you did not have strong feelings about it one way or
8 the other. Is that a fair way of putting it?

9 A. That is correct. I do not think we
10 protested or took any position.

11 Q. There were four points raised by the
12 St. Lawrence-Kingston-Ottawa pilots on which one could
13 say the Shipping Federation was in substantial agreement
14 with the pilots on these points?

15 A. Not in substantial agreement.

16 Q. I would say full agreement on three of
17 them and, let us say, disagreement on the Queen's
18 pilot; is that all right?

19 A. Yes.

20 Q. Then the pilots had almost to make the
21 threat of a strike before they could get action on these
22 points?

23 A. Yes.

24 Q. Is that a fair statement?

25 A. Yes.

26 THE CHAIRMAN: Before you move on we are
27 going to break for ten minutes.

28 ---A short recess.

29

30 COMMISSIONER SMITH: While we are waiting maybe



1 English

2 I could ---

3 MR. LALONDE: Are you moving into Montreal
4 district?

5 COMMISSIONER SMITH: Yes.

6 MR. LALONDE: I have just one question about
7 St. Lawrence.

8 Q. You stated, Captain Matheson, that 1959 --
9 and I quote you here -- was a very eventful year and
10 full of difficulties relating in particular to pilotage
11 in that section of the river.

12 Is it a fact, however, that 1959 was an
13 eventful and difficult year pretty well all over the
14 river and not only in the field of pilotage, because
15 of the great influx of ocean-going ships during that
16 year, which led to an unexpected, I should say, and
17 large amount of work required from everybody including
18 the Shipping Federation? If I am not mistaken, even
19 for the Shipping Federation it was a hardship. Is that
20 the case?

21 A. Well, we could not deny that, but what
22 I was referring to is the particular difficulties that
23 we had in that St. Lawrence-Kingston district.
24 Undoubtedly it was the opening of the Seaway that year
25 and it would be expected to have problems, but there
26 seemed to be an unusual run of difficulties..

27 Q. Is it not a fact that that particular
28 district suffered a particularly great amount of over
29 work during that year compared to previous years due
30 to this influx of new ships who have never been further



1 English

2 up than Montreal and also to the new Seaway which no
3 pilot had ever been in, and having to do this with
4 pretty well the same number of men, and later on in
5 the season new pilots coming in without having any
6 experience in it? This was a great factor?

7 A. Yes. In fairness to the situation there
8 was a complete change for the pilots in that they were
9 required to handle a completely different type of
10 ship.

11 I would like to state here -- and I think I
12 mentioned it before -- that it was a great achievement,
13 the way that they handled this new situation.

14 Q. The fact remains also that there was a
15 substantially higher work load to carry than in previous
16 years and even than the years subsequent because of
17 this large number of ships deciding to try the Seaway?

18 A. I would ^{not} like to say it affected the
19 work load of the pilots. The pilots had to work under
20 difficult conditions, more strenuous conditions.

21 Q. You mean to say the number of trips
22 per pilot was not higher that year and substantially
23 higher than previous years?

24 A. No, that is not what I said at all. Of
25 course, the number of ships was much greater, Mr. Lalonde,
26 but on the other hand the number of locks to go through
27 this area was reduced considerably compared to the
28 old system; so I do not know if the work load was
29 increased appreciably.

30 We had appointed a number of pilots and there



1 English

2 was some confusion on the part of the lack of the
3 government getting a pilot office established at
4 Cornwall. There were certain difficulties for all
5 concerned.

6 Q. You then proceeded to talk about the
7 Quebec district in your evidence before talking about
8 Montreal and you stated that there was an increase in
9 1956 from a quarter of a cent to three-quarters of a
10 cent per ton and this was part of discussions ---.
11 Excuse me, the increase was in 1956 -- yes?

12 A. Yes, 1956.

13 Q. And at that time you had met before
14 Captain Brochu, who was president of the pilots at the
15 time, who had told you that the pilots had asked the
16 Guild to take over their negotiations?

17 A. No, Captain Brochu did not tell me that.
18 Just to refresh your memory, Mr. Lalonde, what I said
19 was that the representative of the Guild whom I met
20 by chance told me that.

21 Q. I see, yes. Did this representative
22 tell you the reason why the Quebec pilots wanted the
23 Guild to take over their negotiations?

24 A. No. That was the reason I went to
25 Quebec, to find out.

26 Q. Has Captain Brochu not told you the
27 feeling of the Quebec pilots is that they could not get
28 anywhere on their own in their negotiations with you?

29 A. No, I do not think -- Captain Brochu
30 did not take such position at all.



1 English

2 Q. You would have no clue as to why they
3 wanted the Guild to take over the negotiations for them?

4 A. No, I do not think so.

5 Q. And your decision to grant this increase
6 in 1957, let us say, revealed the possibility -- I
7 will not say the "threat" -- revealed the possibility
8 that the negotiations from now on might be put in the
9 hands of the Merchant Service Guild. Did this
10 possibility play any role in your decision?

11 A. No, I do not think so, because after
12 my discussion with the pilot Brochu I was not concerned
13 about the situation then in that respect.

14 Q. Had you indicated to Captain Brochu that
15 you would grant an increase to the pilots?

16 A. No. The position taken with Captain Brochu
17 was that they should continue as they had been doing
18 in the past and come up and discuss their problems with
19 the Federation and that the door was always open and
20 we would always welcome the pilots to see them at
21 any time.

22 Q. Later on you stated that you gave a memo
23 which you had prepared for your members as to the
24 transfer of the station to Anse au Basque. Was this
25 document given to the president of the pilots or the
26 pilots' association at the time or was it given to
27 an individual pilot? Was it mailed?

28 A. I think there may be a little bit of
29 misunderstanding here. As a matter of fact there were
30 two memoranda and the one I was referring to was sent



1 English

2 to the superintendent of pilots at Quebec -- either
3 the superintendent of pilots or the pilots' secretary
4 (I just forget) in Quebec -- to be given to the
5 committee as a whole. Then there was a further memorandum
6 that probably the pilots did not get, and that is the
7 one that was submitted here, the second one.

8 Q. What was the purpose of the first
9 memorandum? Was it to the same effect as the second?

10 A. More or less it was an account of a
11 trip that I had made down to Cape Bon Desire.

12 Q. Have you ever checked whether this
13 document was ever given to the Quebec pilots by the
14 superintendent?

15 A. No.

16

17 --

18

19

20

21 --

22

23

24

25

26 --

27

28

29

30



1 (English)

2 Q. Was there any particular reason why you
3 gave it to the Superintendent rather than giving it to
4 the Pilots Association?

5 A. I will have to look up my records to
6 see whether it went to the Association or to the
7 Superintendent. It may have gone to the Association.
8 I think it was addressed to Mr. Menard.

9 Q. I am informed that Mr. Menard never
10 received any such document. He has no recollection that
11 it was received. You might check this.

12 A. I will check my files because undoubtedly
13 ly it was sent and we undoubtedly have a copy of it.
14 I will produce that.

15 Q. You said the reason for great earnings
16 in the Quebec District was that in Quebec they tried to
17 keep the number of their men down as opposed to the
18 Montreal District. Is it not a fact that in the
19 Montreal District there have been requests for many
20 years for an increase in the number of pilots and that
21 when it came to establishing the Montreal Harbour Pilots
22 as a separate section in the District the reason why the
23 Montreal District pilots could not take the responsibil-
24 ity of that operation was that they had no men to
25 provide, that they needed all their men in the district
26 itself?

27 A. No. That is a new concept to me;
28 I have never heard that reason given before. We had --

29 Q. And is it not a fact that in the
30 discussions which took place about the apprenticeship



1 (English)

2 scheme, because of the urgency of having more apprentices
3 and more pilots in the district, you yourself proposed
4 what you called yesterday a short-term and a long-term
5 plan for apprenticeship in the Montreal District in
6 order to have the men available as soon as possible
7 because you realized then that there would not be
8 sufficient men in the Montreal District?

9 A. I can recollect that was of some
10 concern to me. In other words, the number of pilots
11 in that district was controlled by the availability of
12 the trained apprentices available.

13 Q. That is right. And there were not
14 enough trained apprentices available?

15 A. But the situation has never been put
16 up to me - certainly it was not put up to me at that
17 time nor has it been put up to me at any time - that it
18 was on account of a shortage of pilots in the United
19 Montreal Pilotage District that the United Montreal
20 pilots did not join the Harbour pilots. I think the
21 situation in the Kingston District was no different,
22 and we got three pilots from the Kingston District.

23 Q. Yes, you stated it was no different
24 but this is another matter which we might argue upon.
25 But is it not a fact that in the Montreal District they
26 did not have even enough apprentices ready to count upon
27 to take over?

28 A. As I say, this is a new concept, Mr.
29 Lalonde, to be perfectly frank. As a matter of fact,
30 there was on pilot in the Montreal District who was



1 (English)

2 anxious to come in with the Harbour pilots and it was
3 not on account of the shortage of pilots in that district
4 that he did not come into the Harbour pilots. There
5 were other reasons. He was a good competent pilot in
6 every respect, but as far as I can recall there was some
7 objection on the part of the new Harbour pilots and there
8 was some objection on the part of the Department. I did
9 not feel happy about the situation myself and, without
10 going into personalities, it was a case of the suitability
11 of the pilot as far as I was concerned. There was
12 no question about the pilot's experience; he is a
13 very able and competent pilot but I felt that we would
14 be better without him in a new organization. That was
15 my position. I think the pilots felt the same.
16 I think the Department felt the same also.

17 Q. Did not the Department give as one of
18 the reasons why they would object to the transfer of a
19 man in particular that they needed all the men they had
20 for the district itself?

21 A. No, I did not hear that.

22 Q. Do you mean to say that this shortened
23 plan that you developed in 1959 came out of your own
24 mind in the sense that you had no talks with the pilots
25 and there were no representations made by the pilots
26 that they needed more men in the district?

27 A. This derived from the situation that
28 the new pilots or the new apprentices that had been
29 previously appointed from 1953 or 1954 and subsequent
30 to that were young fellows who did not have the



1 (English)

2 opportunity of having the background that apprentices
3 previously appointed had. I think I explained this
4 situation in previous testimony. When we had the Park
5 boats there were all sorts of opportunities for young
6 fellows going to sea to get on these ships and to get a
7 training. Some of the officers of the Park ships,
8 men who served as second officers and chief officers,
9 became apprentice pilots eventually. But when the
10 Canadian mercantile marine disappeared this training
11 facility was not available, and that is what concerned
12 me. I felt that someone who had had the responsibility
13 of a master's certificate and served as chief officer
14 of his ship could be trained to be a pilot in two or
15 three years on the river. It will take very much longer
16 to train a man who has not had that background, a young
17 man.

18 Q. That is my point. You had a short
19 term plan because you needed men quickly?

20 A. That is why I suggested this short
21 term plan. I suggested it in order to get pilots
22 available readily until such time as these fellows could
23 get a proper training.

24 Q. But is it not a fact that in the
25 previous years and for several years before pilots had
26 requested that the number of apprentices be increased in
27 the district?

28 A. Yes.

29 Q. Do you remember that?

30 A. Yes.



1 (English)

2 Q. And that the Shipping Federation
3 constantly opposed such increase?

4 A. No, sir, we did not at any time that I
5 can recall oppose the appointment of apprentices.
6 That was opposed by the Department of Transport and
7 the pilots made representation to me at different times
8 about that situation. It was not the Federation that
9 opposed that.

10 Q. And the Shipping Federation then was
11 in favour of an increase in the number of apprentices?

12 A. We certainly were not opposed to the
13 appointment of additional apprentices.

14 Q. Why then if you were not opposed to it,
15 and as the pilots were pressing the point, did the
16 Department oppose it? Were you given reasons for such
17 a policy?

18 A. No, I do not believe so.

19 Q. So you have never been able to assess
20 why the Department objected to increasing the number of
21 apprentices?

22 A. No, I have never enquired into it.

23 Q. In view of the developments which took
24 place and the kind of crash programmes which you were
25 forced to consider in 1959, would you say that the
26 request of the pilots previously for increase in the
27 number of apprentices was justified?

28 A. Yes, I think we were sympathetic to the
29 appointment of additional apprentice pilots.

30 Q. You talked about the division of the



1 (English)

2 district in 1957. You said that at first you were
3 opposed to this for various reasons and one of them was
4 the danger to ships changing pilots at Three Rivers, and
5 you admitted that experience has shown that your
6 objections to this point were not well founded at the
7 time?

8 A. Correct.

9 Q. Did you object to the establishment a
10 few years before of the occasional changes of ships at
11 Three Rivers when it was established in the early
12 fifties?

13 A. I cannot recall. I think there was
14 some objection made then when the question was raised
15 first, but to my knowledge it was raised on the basis
16 of these lake ships which were very slow ships and we
17 felt that it may have been justifiable, as far as lake
18 ships were concerned. Some of these lakers were very
19 slow - seven knots, seven and a half knots - but it is
20 possible that we did object to it on the basis of
21 ocean ships.

22 Q. Is it not a fact that you also had
23 a fair number of ocean-going ships in the tramp
24 category, for instance, which were also very slow?

25 A. A few.

26 Q. Is it not a fact that even some of
27 these ocean-going ships were taking in good weather -
28 I do not refer here to cases where you have to anchor -
29 up to sixteen and twenty hours to get from Montreal to
30 Quebec?



1 (English)

2 A. Yes, in isolated cases.

3 Q. And in other cases, in the case of
4 large ships or regular liners, it might take certainly
5 over ten hours?

6 A. No, I can recall in this regard on the
7 occasion that I spoke about when I went down to Quebec -
8 I think it was in 1956 - I went in an ordinary cargo
9 boat and we sailed at midnight from Montreal and we
10 arrived at Quebec at 7.45 in the morning. That was in
11 1956.

12 Q. That is in the case of a ship going
13 down?

14 A. Yes.

15 Q. You did not take the same ship going
16 up?

17 A. No.

18 Q. Secondly, is it not a fact that even
19 today the Empress ships may take up to eleven or twelve
20 hours to get from dock to dock between Montreal and
21 Quebec?

22 A. That is possible but there is no
23 getting away from it that the speed of ships has
24 increased considerably in the last number of years.

25 Q. But despite this - or maybe because of
26 this - the Shipping Federation has objected consistently
27 to the division of the district at Three Rivers?

28 A. No, we agreed to it at one time, I
29 recall, on the basis that if a ship was over seven hours
30 between Montreal and Three Rivers she would change



1 (English)

2 pilots; that was the first agreement as far as I can
3 recall. I think we had more or less an open mind on
4 it all along.

5 Q. But is it not a fact that in 1957 you
6 opposed the division for all the reasons which you have
7 mentioned in your previous testimony?

8 A. For certain ships.

9 Q. That is the point. You were willing
10 to give it for certain ships but not as a general rule?

11 A. Correct.

12 Q. Have you ever considered the implications
13 of this policy as far as despatching of pilots was
14 concerned, and all that - the policy which you were
15 recommending?

16 A. The policy we were recommending that
17 this division should not apply to certain passenger
18 ships and large tankers would have no bearing on
19 despatching.

20 Q. That is the way you saw it?

21 A. Yes.

22 Q. Do you know of any river where the
23 distance is as great as that between Montreal and
24 Quebec and as treacherous in the sense that you need
25 very very constant attention?

26 A. As far as the treachery of a river is
27 concerned, that can always be a debatable point. There
28 are places to which I have been with fairly lengthy
29 rivers, for example the River Plate.

30 Q. Similar to this one here?



1 (English)

2 A. Not too much different, but of course
3 not marked as is the St. Lawrence River. It was not
4 marked when I was there. As far as the length of
5 pilotage, there is the River Plate and I think another
6 one.

7 Q. Is it a fact that in the River Plate
8 they change pilots?

9 A. I could not say that now; it was
10 years ago when I was there.

11 Q. That was when? Before the war?

12 A. Yes.

13 Q. I see; I was talking about more
14 current experience, I am sorry. In your evidence as
15 to the Montreal harbour pilots you state that you had
16 paid for the training of pilots in the amount of
17 approximately \$6,700?

18 A. Yes.

19 Q. That covers part of the pilots; other
20 trainees were paid for by the pilots themselves?

21 A. Not in the year that the Harbour
22 pilots were established. We paid for the complete
23 cost.

24 Q. Yes, 1960?

25 A. That is right.

26 Q. The amount which was paid in 1957 and
27 1958 - or was it 1959?

28 A. 1959.

29 Q. That did not cover the training of
30 pilots for a whole year. Some of them had shorter



1 (English)

2 periods of training than others?

3 A. Yes, that was in accordance with our
4 system. Some of them had very short periods.

5 Q. So, what I meant to say was that that
6 was not the full cost of the full training programme,
7 a programme of the same length for twelve men?

8 A. Definitely not, no.

9 Q. I notice that in your brief at page
10 44 you refer to a threat of a meeting and, you say,
11 in parenthesis "strikes" - "threat of a meeting (strike)
12 of all pilots in the Montreal District on May 21st
13 1957." That is about the division of the district at
14 Three Rivers.



1 English

2 Q. This, again, is a full two years
3 before the establishment of the Mid-St. Lawrence River
4 Corporation; is that the case?

5 A. Yes?

6 Q. And with regard to special pilots,
7 isn't it the case that the special pilots of Quebec
8 after the war either had a strike, or threatened a strike,
9 or had meetings, when the Shipping Federation wanted
10 to decrease their allocation from \$12 to \$9? Do
11 you remember any such event?

12 A. I think that was before my in-
13 volvement in pilotage. I was busy with other
14 activities.

15 Q. Were you working for the Shipping
16 Federation at the time?

17 A. What year are you referring to?

18 Q. Unfortunately I don't have the
19 exact year. I know it was after the war, which would
20 be between 1945 and 1950?

21 A. It was 1947 when I joined the
22 Federation.

23 Q. You were not connected at all with
24 the problem at the time?

25 A. I don't recall, no. I was very
26 much engaged in Canada at that time with a very large
27 mercantile marine, as I explained, and I was fully
28 engaged in dealing with the personnel of these ships.

29 Q. And you haven't heard of this
30 particular incident yourself?



1 English

2 A. I can't recall.

3 THE CHAIRMAN: And I gather it is not in the
4 evidence as yet?

5 MR. LALONDE: No, my Lord.

6 Q. You mention that in 1958 there were
7 meetings concerning the training of pilots in the Montreal
8 district. You stated you had always shown a keen
9 interest in the Shipping Federation and always showed
10 a keen interest in the training of pilots. How had
11 this keen interest shown itself previously?

12 A. Oh, through discussions with the Department
13 of Transport. As a matter of fact, there was no proper
14 training system for apprentices at that time, and that
15 was one of the things I was concerned about.

16 Q. Was this an interest or a concern which
17 was your own, or was this a matter with which the
18 Pilotage Committee dealt at the time? Had the
19 Pilotage Committee of the Shipping Federation dealt with
20 it at the time?

21 A. Well, originally I think it was a concern
22 of my own -- my personal concern.

23 Q. Did you have a pilotage committee at the
24 time -- between 1957, 1958...

25 A. The Pilotage Committee had just been formed
26 then, or just previous to then.

27 Q. And did you ever have a special sub-
28 committee on apprenticeship, or the training of pilots?

29 A. No, I don't believe so.

30 Q. Did you take an active part in the



1 English

2 establishment of apprenticeship schemes in the Quebec
3 district after the Montreal district had its own
4 established?

5 A. Not an active part, no.

6 Q. Did you take an active part in the
7 discussions about the establishment of an apprenticeship
8 scheme for the Cornwall district eventually?

9 A. Yes, definitely.

10 Q. How did this take place?

11 A. Well, initially this was something or was
12 one of the aspects that Captain Downey and myself
13 developed so far as the St. Lawrence-Kingston district
14 is concerned.

15 Q. This was a matter between Capatain Downey
16 and yourself?

17 A. Yes.

18 Q. I was referring to your more recent
19 experience and, in particular, to the present proposal
20 for the pilots having an apprenticeship scheme in
21 accordance with the agreement of the Minister in April
22 1962?

23 A. And your question in that regard is...?

24 Q. Whether you had anything to do with regard
25 to this new proposal made by the pilots?

26 A. Well, I don't know what you mean by
27 "had I anything to do with it." I wasn't in favour of
28 it, and I made my position clear both to the pilots
29 and the Department of Transport in that connection.

30 MR. BRISSET: When you said that you were not



1 English

2 in favour of it, what do you mean? Was it of the
3 scheme proposed, or of training...

4 A. No, the scheme proposed -- the apprentice-
5 ship scheme proposed. In other words, I felt that what
6 had been developed initially by Captain Downey
7 particularly and myself was the most efficient and
8 adequate system for developing pilots in that particular
9 district; and I am still of that view.

10 Q. In other words, you share the same views --
11 or you share your own views in 1957?

12 A. Exactly.

13 MR. LALONDE: Mr. Smith, I understand that
14 you want to ask a question or two on the Montreal
15 district before I proceed any further.

16 COMMISSIONER SMITH: Before I come to Montreal
17 I would like to go up through the Seaway system just for
18 one question; and perhaps, Captain, you are not the
19 proper one to give me the answer to it, but I will ask
20 you anyway.

21 On page 4850, Volume 42A of the transcript,
22 of July 4, 1963, Mr. R. J. Burnside, discussing the
23 operation of the Seaway, said:

24 "The estimated annual cost to provide
25 three shifts of two linesmen at 30 tie-up
26 walls from Montreal to Lake Erie -- the total
27 cost estimated to be \$1,270,000.00."

28 This would include shelters and provision for inter-
29 communication, toilet facilities and lockers connected
30 therewith.



1 English

2 Now, there was a statement made by somebody
3 that the Federation had estimated the costs, some three
4 years ago, at \$600,000. Now, to be fair, the
5 estimate of the Federation of \$600,000 did not include
6 shelters, and there may have been some other incidentals
7 that were not included in that \$600,000; but I am
8 wondering if the Federation has since made any up-to-
9 date estimate that you could supply the Commission with,
10 or do you agree with the estimate made by Mr. Burnside?

11 A. I think the best way to answer that
12 problem, regarding costs, is to say that it is a matter
13 of organization.

14 What I mean by that, sir, is that I personally
15 feel that adequate service could be provided at very
16 much less cost than even the figure suggested by the
17 Federation.

18 COMMISSIONER SMITH: The \$600,000?

19 THE WITNESS: Yes; I think the figure
20 suggested by Mr. Burnside involves a very involved
21 proposition in that it reflects a very, very poor
22 administrative approach to this whole problem.

23 What I mean by that, Mr. Smith, is that the
24 service that we are talking about at the approach walls
25 is provided, in some instances -- and testimony has
26 been given to this effect -- it is provided by the
27 American Seaway Authorities for nothing. When our
28 pilots feel that perhaps they are getting into difficulty
29 in approaching the American sea wall they advise the
30 American Seaway Authority or the staff working at the



1 English

2 locks, and the American Seaway Authority puts them in a
3 jeep or a car and sends them down to deal with the ship
4 and takes care of it.

5 It seems to me if you are going to have a
6 separate service for this then it is going to be very
7 wasteful so far as manpower is concerned. You will
8 probably have to get free gifts and you will require
9 a big number of men, but for about 75 or 80% of the
10 time they would be doing nothing -- they won't be
11 employed.

12 The thing should be approached from a different
13 administrative point of view.

14 THE CHAIRMAN: As I recall, the Americans do
15 that only in emergency cases.

16 THE WITNESS: Yes.

17 THE CHAIRMAN: When the wind is wrong, or
18 something like that?

19 THE WITNESS: Yes.

20 THE CHAIRMAN: And when the pilots feel it is
21 necessary they call them; and they are provided with
22 this service only on exceptional occasions?

23 THE WITNESS: Yes, My Lord, that is my
24 understanding.

25 COMMISSIONER SMITH: So far as you know,
26 Captain, will there be any individual members of the
27 Shipping Federation appearing before this Commission
28 to give any evidence, so far as you know?

29 THE WITNESS: Any...?
30



1 English

2 COMMISSIONER SMITH: Any individual members
3 of the Shipping Federation, or are you representing them
4 all?

5 THE WITNESS: No; there are certain aspects
6 on which there will be members of the Shipping Federation
7 who will give testimony before this Commission.

8 COMMISSIONER SMITH: If that is the case will
9 there be, so far as you know, somebody to supply the
10 Commission with some evidence of -- if there is any --
11 the extraordinary expense to shipping during the un-
12 availability of pilots in April 1962?

13 THE WITNESS: Well, the Chairman of our
14 Pilotage Committee will be giving testimony, and he will
15 prepare himself to enlighten the Commission on that
16 subject.

17 MR. BRISSET: Mr. Smith, we had not intended
18 to bring any evidence on this because, first of all, it
19 would be quite difficult to estimate the loss caused
20 through delay to all of the vessels that were delayed.

21 However, we could, I am sure, cite individual
22 cases and indicate what the delay meant; and it would
23 then, perhaps, be possible to estimate, if one knows the
24 number of ships, what could have been the possible
25 economical consequences.

26 We are entering here into a domain where it
27 would be necessary to obtain this information from a
28 number of operators -- I suppose, in some cases, from
29 all parts of the world -- and I am afraid it would be a
30 very difficult task.



1 English

2 THE CHAIRMAN: I don't think it would be
3 necessary to cover all the cases, but I think it would
4 be useful for the Commission to find out what is the
5 impact of the unavailability of pilots for a certain
6 period of days -- one, two, or three days -- on shipping,
7 if impact there is.

8 MR. BRISSET: Well, I think the Commission
9 may well imagine that the most important cause of loss
10 to a ship is delay. Its expenses continue to run.

11 THE CHAIRMAN: Mind you, we are not mariners
12 or ship-owners; so we have need of something to guide
13 us. You already have mentioned some figures yourself,
14 but this is not evidence, as to the cost of delaying a
15 ship. You mentioned that, but that is not evidence.

16 MR. BRISSET: We will submit the whole
17 figures -- we will try to do the best we can in that
18 regard.

19 THE CHAIRMAN: And not necessarily in reference
20 to 1962, but to any other year.

21 MR. BRISSET: As counsel for the Commission
22 has just mentioned to me, there are various aspects to
23 be considered in relation to the employment of a vessel.
24 Let us assume that the vessel is coming in when there is a
25 strike at a port here and she is under time-charter.
26 In that case the power of the vessel would continue to
27 run and the owner will not sustain any loss but the
28 party who has chartered it will be the loser. If,
29 however, the ship is coming in as on the general basis,
30 operated by her owner, then it would be a loss to the owner.
However, we will try to supply figures.



1 English

2 THE CHAIRMAN: We do not wish to have complete
3 evidence as to what it might have cost, the stoppage of
4 work in 1962, because this would be not absolutely
5 useful for us. As long as we have a certain knowledge
6 as to what is the extent of the damages caused, to
7 find out whether it was in relation to the importance
8 of the dispute --- As I have mentioned before, a
9 strike or stoppage of work may be legitimate, but as
10 long as we are acquainted with the questions involved,
11 the problems, the disputes -- whether or not we have
12 got the answer -- that is enough. These are the
13 principles that might have some facts to substantiate
14 them.

15 MR. BRISSET: The Commission will realize, of
16 course, the Shipping Federation of Canada has nothing
17 to do with the operations of the ships themselves. This
18 information will have to be obtained from the members.

19 THE CHAIRMAN: Yes.

20 MR. BRISSET: Whose ships were affected.

21 THE CHAIRMAN: Yes, but they are to a certain
22 extent the representative of the members in any event
23 as the Federation. Yes, we might ask for some of the
24 shippers to come here and give their views on that.

25 MR. BRISSET: Well, we could obtain it from the
26 members and submit it as information obtained from them.
27 If this information comes from the other side, for
28 instance, we would have to submit it as obtained by us.

29 THE CHAIRMAN: Anyway, you will provide us with
30 something and if we are not satisfied we will ask for



1 English

2 some more.

3 MR. BRISSET: Yes.

4 MR. LALONDE: Maybe the Commission could go on
5 the other side and get the further evidence.

6 MR. JACQUES: An excellent idea.

7 MR. LALONDE: Have you any other questions, Mr.
8 Smith?

9 COMMISSIONER SMITH: I have finished, thank you.

10 MR. LALONDE: Q. You said that in the
11 negotiations in 1959 there was discussion as to earning
12 potential of ships in the establishment of the tariff
13 and said this was a new concept which was introduced in
14 the discussion. Is that a fair statement of what you
15 said?

16 Would you not say that a tariff based on
17 draught and tonnage is a fair basis for the establishment
18 of a pilotage tariff? Whether it is gross or net it
19 does not matter. If you have any preference you may
20 say it.

21 A. Well, I have the opinion I gave before
22 on this that if it is necessary to have a tariff that
23 tariff should be as simple as possible.

24 Q. I understand you would prefer not to have
25 any tariff; but supposing there needs to be a tariff ---

26 A. Well, there has got to be a rate if there
27 is not a tariff, but with regard to tonnage it has
28 caused difficulties in the past and therefore I would
29 be inclined to favour a ---

30 Let me approach this from a different angle,



1 English

2 Mr. Lalonde. As far as the tariff is concerned I feel
3 that that is a matter for consideration or discussion
4 between the operators and the pilotage authority.

5 Q. I am sorry; you stated all that and I
6 do not want to go over this. It is not the point I want
7 to raise. Let us admit that you are discussing it
8 with the pilotage authority and it is a discussion
9 between you and the pilotage authority. What is your
10 view as to the statement I make that a tariff based on
11 tonnage and draught is the fairest basis for a
12 pilotage tariff, whoever sets it and whatever the way
13 it is set?

14 A. I would be inclined to favour a flat
15 rate myself from A to B and the matter of what is
16 charged to the ships is a matter for the companies
17 themselves to proportion that.

18 Q. To what? To apportion?

19 A. To proportion that in a fair manner to
20 the different types of ships.

21 Q. Yes, but then you still have a tariff.
22 You mean to say you would have a tariff proportioned
23 between ships by companies?

24 THE CHAIRMAN: No, a flat rate for all ships
25 and it would be for the various firms to decide that
26 amongst the various ships.

27 MR. LALONDE: Q. No matter the size of the
28 ship?

29 THE CHAIRMAN: No, no matter as far as the
30 rate is concerned.



1 English

2 MR. LALONDE: Q. With the result that a man
3 who has smaller ships, like Mr. Langlois, would pay the
4 same amount as the Cunard if he is taking pilots aboard
5 his ships and whether the ship is travelling empty or
6 loaded?

7 A. If there has got to be a pariff, then,
8 as I said before, it should be as simple as possible
9 and some other factor than tonnage should be considered
10 in my opinion. Let us put it like that.

11 Q. I see; so you would leave out tonnage.
12 Why do you prefer to leave out tonnage?

13 A. Well, tonnage has represented difficulties
14 in pilotage in that ships can change from shelter deck
15 to closed shelter deck or open shelter deck and the
16 tonnage can vary from ship to ship.

17 Q. If that is so why is the tariff of the
18 Shipping Federation set at gross tons only up to
19 Montreal?

20 A. Well, that has been something that has
21 been established for years and years. Probably one
22 day it may change; I do not know.

23 Q. If you leave out the aspect, the problem
24 which is raised by the question of shelter decks, is
25 it not a fact that the rate will be more corresponding
26 to the actual earning -- not only the earning capacity,
27 but the actual earnings of the ship in a sense that a
28 loaded ship will pay more than an unloaded ship and
29 a smaller ship would pay less than a big ship?

30 A. I do not think that is relative to



1 English

2 pilotage. You could for instance replace the tonnage
3 by the length of the ship, length and draught.

4 Q. The length and draught, and you would
5 say that this would correspond to a certain earning
6 capacity of the ship?

7 A. I am not recommending this; I am just
8 giving views on a different approach. I think that is
9 what you want, is it not?

10 Q. Yes. Your objection to tonnage is
11 the problem of shelter decks and variation in the
12 tonnage from ship to ship?

13 A. Yes.

14 Q. Or rather on the same ship on different
15 days?

16 A. Yes.

17 Q. If this could be taken care of, would
18 you have any objection to the tariff on tonnage and
19 draught?

20 A. This is rather an involved question, My
21 Lord. I have not given any specific thought to it
22 and rather than express views, I would like to give
23 it some thought.

24 THE CHAIRMAN: You have to consider the
25 different types of pilotage, -harbour, river, docking.
26 You have to consider that at places you have distance
27 and at other places you have no distance. These are
28 all factors that have to be considered and this is one
29 of the problems that we have.

30 If there could be a very simple way all across



1 English

2 Canada that masters or shipping interests could know
3 very easily how to calculate it, that would be very
4 good, but is it feasible?

5 THE WITNESS: I find it very difficult at
6 times to give a specific answer to this question because
7 it is a very important one -- extremely important.

8 COMMISSIONER SMITH: Captain, perhaps I could
9 help confound the confusion by reading what has been
10 put in my hand, and this is the quote:

11 "My thought is that a unit
12 could be derived from the
13 consideration of the registered
14 length, breadth and depth of
15 any given ship. Such a unit
16 could be matched with existing
17 pilotage dues and a comprehensive
18 scale could then be developed".

19 Can you figure that out?

20 THE WITNESS: I would have to study that one.

21 COMMISSIONER SMITH: Thank you.

22 MR. JACQUES: Captain, you have been asked
23 to figure out a way to assess rates geared to the
24 earning capacity of the ship. Would you think that it
25 should be geared to the responsibility of the pilot
26 rather than the earning capacity of the ship?

27 THE WITNESS: No, I do not think so.

28 MR. BRISSET: "Responsibility" meaning what --
29 value of the service?

30 MR. JACQUES: Value of the service rendered,



1 English

2 value of the thing at risk.

3 THE WITNESS: As far as the pilot is concerned
4 I would approach it from the angle that a job is a
5 job.

6 MR. JACQUES: Granted, but a job may be more
7 difficult than another job.

8 THE WITNESS: Well, how can you assess that?
9 You may get some of these passenger boats. I understand
10 that they handle beautifully and for a pilot who is
11 used and accustomed to that type of ship it would not
12 be a difficult job. On the other hand you may get a
13 small ship that would give the pilot all the difficulties
14 in the world.

15 These are factors, I think, that would have
16 to be considered also, so I would approach it ~~that~~ as
17 far as the pilot is concerned whether it is a big ship
18 or a small ship or a difficult ship or an easy ship,
19 it is a job and that is that. I do not think it would
20 be logical to approach it in any different manner as
21 far as the pilot is concerned.

22 MR. LALONDE: Q. You mean to say, then,
23 Captain, that any pilot could go on board an Empress
24 in the morning and we should do away with ^{the} grades that
25 you yourself have suggested?

26 A. No. We are getting into a different field
27 when you are talking about grades. That was not the
28 question put to me by the counsel.

29 Q. You are saying in effect that it is no
30 more difficult to pilot a big passenger ship than a



1 English

2 small schooner?

3 A. No, that is not what I said.

4 MR. LALONDE: My Lord, may I think this over
5 for lunch?

6 THE CHAIRMAN: All right.

7 MR. BRISSET: Could I at this stage file
8 some of the documents we have been asked to file? I
9 would ask to do so before the luncheon adjournment. I
10 would like to file two lists showing the composition of
11 the pilotage committee of the Shipping Federation, the
12 first one showing what the composition at August 10th,
13 1959 was and the second one showing what the composition
14 is as of today. I would like to file them as Exhibit
15 927.

16 ---EXHIBIT NO. 927: List showing companies
17 represented on the
18 pilotage committee of
19 the Federation as at
August 10th, 1959 and
similar list as at
February 6th, 1964.

20 MR. BRISSET: My Lord, we would ask to give
21 or supply a list which would show the composition of
22 that committee over a period of years from 1959, and
23 I would like to explain why we have submitted the
24 list in this manner.

25 THE CHAIRMAN: It was three years?

26 MR. BRISSET: Three years. Actually in 1959
27 there were ten companies represented on the pilotage
28 committee and since then two of these companies have
29 dropped out -- Shipping Limited, which was represented
30 by J.P. Boyle, who died in 1960, I believe, and Saguenay



1 English

2 Shipping Limited, which was represented by Mr. E.M.

3 Strang and Captain R. McKillop. Captain McKillop died
4 since and Mr. Strang has been too busily engaged on
5 other committees and has resigned.

6 At the 1963 representation the only new
7 company added is Colley Motorships Limited, with Mr.
8 Colley being the appointee or the member.

9 In the case of Cunard Steamship Company
10 Limited, the two representatives in 1959 were Captain
11 R.V. Youd, who has since retired, and Mr. T.R.
12 Smathers, who has since been appointed general manager
13 in Canada of the company. The new representative of
14 the Cunard Steamship Company Limited is Captain N.E.
15 Rees-Potter. There is no change in the other
16 representation.

17 MR. LALONDE: Do I understand my friend to
18 state that apart from the changes the composition of
19 the committee has been the same since 1959?

20 MR. BRISSET: Yes.

21 My Lord, we were asked to supply the numbers
22 of special general meetings held in the years 1961,
23 1962 and 1963. I have the list here with the numbers
24 in attendance at each meeting. In 1961 there were
25 twenty-four special general meetings; in 1962, thirteen
26 and in 1963, sixteen.

27 The membership each year does not vary
28 greatly. It was 49 members in 1963 and maybe one more
29 or one less or two more or two less in the other
30 years. If it was necessary, I could supply this.



1 English

2 MR. LALONDE: I do not think ---

3 THE CHAIRMAN: No material change?

4 MR. BRISSET: No material change.

5 THE CHAIRMAN: Most of the names that are here
6 today were there three years ago.

7 MR. JACQUES: It is merely to show the
8 proportion of members that attended. If you show
9 twenty members that attended out of a total membership
10 of fifty, it is not the same picture as if the total
11 membership were eighty.

12 MR. BRISSET: No. The number may have varied
13 one minus or one plus, but I do not think it is too
14 great.

15 THE CHAIRMAN: There is no great change in
16 the membership. If you would have fifty that would
17 retire during the year they would be replaced by fifty
18 more.

19 MR. BRISSET: They are pretty well all the
20 same.

21 We were asked to give the names of the persons
22 in attendance at each of these meetings, and that may
23 take some time. In 1961 there were twenty-four meetings
24 and the average attendance was at times as many as
25 twenty-six.

26 THE SECRETARY: This will be given No. 928.

27 ---EXHIBIT NO. 928: List of special
28 general meetings
29 of the Shipping
30 Federation 1961-1963.



1 English

2 MR. BRISSET: My Lord, it is suggested to
3 me that instead of burdening the record with the
4 names of all those who were at each of the sixty or
5 nearly sixty meetings, we could give a cross-section.

6 MR. LALONDE: It is not a matter of burdening
7 the record. I do not ask that it be read into the
8 record, just that it be tabled.

9 MR. BRISSET: Finally we were asked to
10 disclose what were the dues paid by the members of the
11 Shipping Federation. I have here two circulars,
12 My Lord -- circular No. 8010 and 8090 showing what were
13 the dues up until January 1st, 1964, when they were
14 revised, and then those that applied from January 1st,
15 1964. I would like to file these as Exhibit No. 929.

16
17 ---EXHIBIT NO. 929: Circular No. 8010
18 showing dues paid
19 by members of the
20 Shipping Federation
21 up until January 1st,
22 1964. Circular No.
23 8090 showing dues
24 paid by the members
25 of the Shipping
26 Federation after
27 January 1st, 1964.

28 MR. BRISSET: That is all, My Lord.

29 THE CHAIRMAN: We will adjourn now until 2:30.

30 ---Luncheon adjournment.



1 (English)

2 Q. In your previous testimony, Captain
3 Matheson, you stated that in 1959 you were notified only
4 at the meeting which was held on February 27th that the
5 Department would look favourably upon an increase of the
6 tariff in the Montreal district. Do you remember
7 having stated something to that effect?

8 A. That was November.

9 Q. In February 1959 - February 27th. You
10 said there was a meeting in Montreal on February 27th
11 1959 and this was the first time you heard there might
12 be an increase in the tariff in the Montreal river?

13 A. Yes.

14 Q. You say this was the first time you
15 heard about it?

16 MR. BRISSET: My Lord, I think the evidence
17 has not been properly reported here, if I may interject.
18 The evidence was to the effect that after the meeting of
19 February 27th 1959 a letter was received from the
20 Department, which letter I think was dated February
21 27th. I apologize, this was January not February.

22 Q. So in this particular case, if I under-
23 stood you well in your evidence - and I may have made
24 an error in my notes here and I do not have the actual
25 text of the transcript yet - it would be wrong to
26 assume that the first time you had heard about the
27 proposed increase of the tariff would have been at that
28 meeting at the end of February, would it not? Is it a
29 fact that you have Appendix 35 in your brief, Volume 2,
30 page 100, where you have a letter by Captain Jones



1 (English)

2 stating in the third paragraph that he is enclosing
3 copies of the latest submission prepared by Professor
4 J-M. Martin?

5 A. Yes.

6 Q. Together with a review of this
7 proposal by the Department's economist and further
8 observations?

9 A. Yes.

10 Q. So in effect you had received previous
11 notice before the meeting at the end of February of
12 what was requested by the pilots and what was the view
13 of the Department's economist?

14 A. I think what I was referring to was
15 that we had no advice of negotiations going on in the
16 Department for an increase in tariff prior to the
17 fourth local pilotage committee meeting on January 29th.

18 Q. I see. Yes, admitting that you were
19 first informed then of this fact on January 29th and you
20 received this letter from Captain Jones --

21 A. Subsequently, Mr. Lalonde, after
22 that.

23 Q. Yes. Was there not another meeting
24 on February 27th 1959 of this local committee at which
25 this matter of tariff was raised and discussed?

26 A. Yes.

27 Q. In fact, the whole meeting bore on this
28 proposed increase; is that not the case?

29 A. Yes, there was discussion on the
30 proposals of the economist of the Department of



1 (English)

2 Transport subsequently; that was in the February 27th
3 meeting.

4 Q. In fact, as you stated I think and as
5 appears in the memo which you have tabled as Exhibit
6 920, it was only on March 6th that the decision was
7 taken or that formal decision was announced by Mr.
8 Cumyn when he visited you that there would be a tariff
9 increase of about six per cent over the 1958 rate?

10 A. Yes, I think that is correct.

11 Q. So that before that time you received
12 the proposals of the pilots and the considerations of
13 the Department on these proposals and at the end of
14 January there was a general meeting of the local
15 pilotage committee and you had over a month to make
16 any representations you wanted on these proposals; is
17 that not the case? In fact, it would be wrong to leave
18 us under the impression that you were all taken by
19 surprise?

20 A. No, there seems to be some confusion
21 here, Mr. Lalonde. What I stated in my testimony in
22 this regard was that there were negotiations going on
23 between the pilots and the Department of Transport
24 prior to this local pilotage committee meeting held on
25 January 29th.

26 Q. How can you say there were negotiations
27 going on?

28 A. Because it was in the previous year
29 that the economist of the Department of Transport had
30 prepared these recommendations - and I mean the



1 (English)

2 recommendations of the No. 1 and No. 2 alternatives.

3 Q. The No. 1 and No. 2 what?

4 A. The alternative proposals.

5 MR. BRISSET: That is page 101 of the
6 second volume of the brief, Appendix 35, the report of
7 Mr. Macleod the Department's economist, dated January
8 12th 1959.

9 THE WITNESS: That is correct.

10 Q. So you say it was in the previous year?

11 A. It was previous to that. I was not
12 quite sure the date. It was pretty close to the
13 beginning of the year.

14 Q. The report of the economist was dated
15 January 12th 1959?

16 A. That is right.

17 Q. Obviously if Captain Jones was to send
18 you a copy of the report he had to receive it some time
19 before. He received it two weeks before he sent it
20 to you?

21 MR. BRISSET: And in the report of Mr.
22 Macleod it is stated that the proposal of the pilots -
23 on the fourth line - "was received by me about December
24 17th". That would be 1958?

25 MR. LALONDE: Yes, and we are just on this
26 point of negotiations to which the witness referred.

27 Q. Where are the negotiations there?

28 Is it not a fact that the only thing we can conclude
29 from this is that the pilots prepared a document called
30 "Notes on Pilotage Dues", which you have tabled as



1 (English)

2 Exhibit 921. It was sent to the Department and the
3 departmental economist worked on it, and once the
4 Department had received information from its economist
5 they forwarded it to you?

6 A. They worked on it without the knowledge
7 of the Federation and prior to this letter dated
8 January 27th enclosing Mr. Macleod's proposals.

9 Q. Yes. You say they worked on it.
10 Who worked on it?

11 A. It was subject to negotiations between
12 the pilots or the pilots' representatives and the
13 Department. That is the point I made.

14 Q. But negotiations implies that there
15 were meetings or discussions or arguments or something
16 of the sort. If I am sending you a paper and one of
17 your employees makes a report to you on the subject and
18 you forward these documents then to a third party, that
19 third party certainly cannot affirm that there have been
20 negotiations. There has been receipt of a document and
21 preparation of a report on that document; that is all
22 there is to it. I do not see how you can conclude
23 there is some strange conspiracy in that respect?

24 A. We were not referring to a conspiracy
25 in any way, Mr. Lalonde. I think that is rather
26 strong language.

27 Q. Well, let us call it negotiation. Let
28 us even call it negotiation - would you not agree that
29 the only thing that seems to have occurred, and you
30 probably have more information than me on the subject,



1 (English)

2 is that a report was sent and an analysis of it was
3 made?

4 MR. BRISSET: My Lord, if I may be permitted
5 to assist again, in the letter of January 27th 1959
6 addressed to Captain Matheson by Captain D.R. Jones,
7 in the second paragraph it is stated:

8 "The pilotage authority later in the
9 year met their request" -

10 that is of the pilots -

11 "to the extent of granting a five per
12 cent surcharge with the understanding
13 that the entire matter would be
14 reviewed at the close of the season.
15 In the interim a series of meetings
16 has been held with Department officials
17 and representatives of the Montreal
18 pilots, and a stage has now been
19 reached making it advisable for
20 representatives of the shipping
21 industry to join in considering the
22 matter."

23 MR. LALONDE: That is correct.

24 Q. These were meetings which were held
25 in 1958. Were there not meetings between the
26 Department officials and the Shipping Federation
27 representatives in 1958?

28 A. I would have to refer to my records
29 for that.

30 Q. You also stated that at that time the



1 (English)

2 Department would do anything which the pilots would
3 recommend. Do you remember having stated that?

4 A. Yes.

5 Q. Will you tell me why the Department did
6 follow the recommendation of its economist and not the
7 recommendation of the pilots' economist?

8 A. Well, I think the Department's
9 economist came up with something very generous as far
10 as a new tariff for the pilots was concerned.

11 Q. Still, it was lower than what the
12 pilots recommended I see, was it not?

13 A. It developed that it was much higher
14 than the economist of the Department had estimated too.

15 Q. You are referring to this twenty-four
16 per cent increase, which Mr. Justice Bernier improved
17 to thirty-three per cent yesterday or the day before?

18 A. Exactly.

19 Q. Have you ever taken into consideration
20 the trips made during that year also and the increase
21 in the number of trips per man?

22 A. The trips are a very important factor;
23 of course we took them into account.

24 Q. And by referring to page 161 of Volume
25 2, Appendix 51 - I will refer hereto the mathematics
26 of one of my advisers not to my own because I would not
27 trust my own - you notice there is an increase in the
28 number of trips from 136 to 163 per man during that
29 year?

30 A. Yes.



1 (English)

2 Q. That is Montreal River - '58 and '59.

3 Do you see that?

4 A. Yes, that is correct.

5 Q. So that when you state in your brief
6 that the average earnings were \$13,567.36 in 1959, that
7 is an increase of over twenty-four per cent over 1958
8 and you do not make any reference to the increase in
9 the number of trips per man. Do you not think it is
10 a somewhat misleading picture to give?

11 A. Well, perhaps we should look at the
12 next column, Mr. Lalonde - daily working hours on ship
13 per effective pilot, 4.2 hours.

14 Q. And what are the figures for 1958?

15 A. 1958? We did not get them.

16 Q. So what can you conclude from that?

17 A. Well, I do not think you can conclude
18 that the pilots are overworked with 4.2 hours per day.

19 Q. What can you make as far as a
20 comparison is concerned with 1958? What we are talking
21 about now is the increase.

22 A. I am afraid the statement I have just
23 made is about the only comparison you can make. The
24 4.2 shows they are not overworked.

25 Q. In any case, faced with that fact,
26 there was an increase in the number of trips per man
27 and it is a substantial increase between 1958 and
28 1959. That would seem to make about twenty per cent
29 increase in the number of trips per man. Would that be
30 a fair estimate?



1 (English)

2 A. Yes, I will take your word for that.

3 Q. And if you have an increase which has
4 now been calculated at thirty-three per cent, we would
5 not be too far off the overall increase which you refer
6 to at page 50 of your own brief where you say:

7 "The basic year used by the economists
8 to achieve an overall increase of
9 eleven to twelve per cent which shows
10 that the expert opinion of the
11 economists engaged by both the pilots
12 and the Department of Transport did
13 not prove too reliable."

14 So if we make a comparison of two comparable years, in
15 the sense of the men having the same workload from one
16 year to the other, the economists would have been pretty
17 close to what they had estimated would have been the
18 earnings, would they not, what would be the increase?

19 A. Well, I think the question comes back
20 to the 4.2 hours per day and average earnings of
21 \$13,567 which represents over twenty-four per cent,
22 which is quite a substantial increase.

23 Q. You believe in those 4.2 hours?

24 A. We accept the statistics that we get
25 from the Pilotage Authority.

26 Q. Whatever they represent?

27 THE CHAIRMAN: Or for what they represent?

28 Q. You never go behind the figures which
29 are given?

30 A. I am afraid that is the situation. We



1 (English)

2 accepted the Authority's statistics.

3 Q. You never go behind them?

4 A. No.

5 Q. You do not care what they mean?

6 A. I did not say we do not care. I say
7 we accept them.

8 Q. Do you think this is a fair represent-
9 ation of the workload of the pilots?

10 A. Well, according to the Department it
11 is; that is all I can say.

12 Q. My question is not what the Department
13 or some officials of the Department think; I ask you
14 whether this in your opinion is a fair representation
15 of what is the workload of the pilots?

16 A. I have not worked it out, Mr. Lalonde.

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1 English

2 Q. You have not what?

3 A. I have not worked it out to find out if it
4 is a fair representation or not.

5 Q. Do you think that taking the actual sighting
6 time as the workload of a pilot is a fair representation
7 of what he does, or of what his workload is?

8 A. No, I wouldn't say that.

9 Q. You wouldn't say that. So assuming that
10 this is what is meant by a daily workload, which is
11 reproduced here, you wouldn't say this is a fair
12 representation of the workload?

13 A. If this is, in fact, the sailing time of
14 the pilot then I would have to agree with you.

15 Q. I refer to the previous evidence in this
16 respect. When these figures were provided to the
17 Shipping Federation, I mean, they were provided several
18 years ago -- every year; isn't that the case?

19 A. No. We started getting statistics from
20 the Department in 1960.

21 Q. I see. How did you get those for 1958-59?

22 A. I may have made a mistake there. It
23 may have been 1958.

24 Q. Are you aware whether such figures were
25 made available to the pilots at the time?

26 A. So far as I recall this was discussed
27 around about that time and I believe the pilots did
28 make representations that they should be supplied
29 with statistics; and they were given assurance by the
30 Department that they would.



1 English

2 Q. Yes. I think, in fact, that this appears
3 in the exhibit you have produced, February 27, 1959, page
4 2, where there is a statement by Captain Millen, one of
5 the Marine Association representatives, asking "Have
6 salaries dropped this year?"

7 CAPT. JONES: No, they have increased slightly.
8 (Captain Jones indicated how figures are arrived at)."

9 Then we have the statement by Mr. Gerin-Lajoie:

10 "It would be appreciated if the pilots could get
11 copies of such statements that are sent to the
12 Shipping Federation and the Dominion Marine
13 Association."

14 Do you remember that statement?

15 A. That was what I was referring to.

16 Q. So it seems to me that previous to that
17 time the only people who had these figures were the
18 Shipping Federation and the Dominion Marine Association?

19 A. The Shipping Federation; I can't say for
20 the Dominion Marine Association.

21 Q. And you say you never tried to go behind
22 these figures at that time to see whether this was a
23 fair representation of the workload of the pilots?

24 A. That is correct.

25 Q. You stated also that there was something
26 unusual in your receiving a letter from the economist
27 of the Department about his analysis in 1959 of the
28 report by Professor Martin. You used, I think, the
29 word "unusual." Is that in the sense of something
30 very extraordinary or abnormal, or is it just that you



1 English
2 have not had correspondence before or after that, and
3 that is all there is to it? Is that a kind of
4 innocuous statement, or is there any problem raised by
5 the fact that the Departmental economist wrote to you?

6 A. I don't think so, other than this was a
7 new concept of the Department of Transport getting
8 involved in tariff rates when previously this was a
9 matter that was negotiated directly between the pilots
10 and ourselves.

11 MR. LALONDE: My Lord, the witness made a
12 reference to a \$20 charge which was imposed in 1959
13 for river pilots to take ships into the St. Lambert
14 lock, and the witness said this charge was not put into
15 the tariff for domestic ships.

16 I think, for the purposes of the record, it
17 should be corrected somehow by reading into the record
18 Article 3, paragraph(1) of the schedule attached to
19 the Montreal Pilotage Bylaw which reads as follows:

20 "In addition to the dues prescribed in
21 Sections 1 and 2 of this schedule, an additional
22 charge of \$20 shall be paid by a vessel when
23 piloted by a river pilot from the approach to
24 the St. Lawrence Seaway at the harbour of Montreal
25 to a berth in St. Lambert Lock or a berth alongside
26 the approach wall, or vice versa."

27 I want to point out that there is no distinction as
28 such between the domestic and foreign ships in this
29 bylaw.

30 THE WITNESS: What date is that?



1 English

2 MR. LALONDE: Q. This is the pilotage
3 bylaw which is still in effect, and this amendment was
4 passed in 1959. This is the \$20 which you were referring
5 to.

6 Q. My understanding has always been that
7 the lake companies refused to pay it and they haven't
8 been paying it.

9 MR. BRISSET: In spite of the fact that it
10 is in the tariff?

11 THE WITNESS: In spite of the fact that it
12 is in the tariff; they have not paid it. That is my
13 information.

14 MR. LALONDE: Q. And you are right on that;
15 it is just that the tariff doesn't make any exemption
16 for domestic ships.

17 A. Well, this is what I was really meaning,
18 My Lord, that the lake companies took a firm stand here
19 and refused to pay it. That was my information.

20 MR. LALONDE: And my information is to the
21 same effect as the witness, My Lord.

22 THE CHAIRMAN: It is one of these things
23 that are in the regulations and the laws and that are
24 not applied whether they are applicable or not.

25 MR. BRISSET: Somebody got mad about it
26 and said "Never mind the regulations"!. .

27 THE CHAIRMAN: I think it is basically
28 wrong. If it is in the regulations then it should
29 have been applied. I don't think the Executive
30 Authority has any power not to apply the law.



1 English
2 or the regulations.

3 MR. JACQUES: If I may clarify this matter,
4 the bylaw reads as follows:

5 "In addition to the dues in section
6 1 and 2 of this schedule an additional
7 charge of \$20 shall be paid by a vessel
8 when piloted by a river pilot from the
9 approach to the St. Lawrence Seaway at the
10 harbour at all to a berth in St. Lambert
11 Lock or a berth alongside the approach walls,
12 or vice versa..."

13 MR. LALONDE: Which is exactly what I read

14 MR. JACQUES: And this has been interpreted
15 by the Department as meaning that the \$20 would be
16 charged if the pilot did the work. Since, on the
17 lake boats, the pilots have not been doing the work,
18 they weren't charged the \$20.

19 MR. LALONDE: This, then, raises an
20 interesting point whether, when the principle was
21 established in the Canada Shipping Act as to the
22 compulsory payment of pilotage dues, when there is a
23 pilot on board the ship-owner can say that for that
24 part of the river he can take over and cut this off
25 the tariff, and then the pilot can take over at the
26 next corner and then start all over again. It is
27 rather an interesting problem as to whether the
28 executive has the authority under the Canada Shipping
29 Act to make such a rule and apply it this way, or to
30 interpret it in this way.



1 English

2 COMMISSIONER SIMITH: Has this ever been
3 seriously questioned or protested? Have you asked
4 an explanation?

5 THE WITNESS: Why the domestic ships don't
6 pay?

7 COMMISSIONER SMITH: Yes; when the charge
8 is there?

9 THE WITNESS: No, not on behalf of the
10 Federation, on the assumption that this was outside
11 our jurisdiction as to the tariff being applied or
12 not, and the stand taken by the Dominion Marine.

13 THE CHAIRMAN: Isn't this discrimination?

14 THE WITNESS: It is discrimination, yes,
15 correct.

16 THE CHAIRMAN: But you had no interest in
17 the matter?

18 THE WITNESS: No.

19 THE CHAIRMAN: We may some enlightenment on
20 that in Ottawa. We shall take a note of that.

21 MR. LALONDE: Q. I would like to ask a
22 few questions about your views on apprenticeship.
23 You stated this morning that you held the same view
24 as you held in 1957 about training in the Cornwall
25 and Kingston district?

26 A. Yes.

27 Q. I understand that the reason why you
28 make a difference between the system below Montreal
29 and above Montreal is because there is some canalling
30



1 English

2 to do? Is that the reason?

3 A. The main reason is that there is consider-
4 able ship-handling.

5 Q. And this is connected with canalling, or
6 going through the locks and things like that?

7 Q. Yes, approaching the locks.

8 Q. Are you aware that in the Manchester Canal
9 what they have is a true apprenticeship scheme?

10 A. I understand they have an apprenticeship
11 scheme, yes.

12 Q. And are you aware of the system in
13 operation in the Kiel Canal in Germany, for training
14 their pilots?

15 A. Not the Kiel Canal, no.

16 Q. And at IJmuiden, between Amsterdam and
17 the sea?

18 A. No.

19 Q. Do you know how they train their men?

20 A. Well, I am not familiar with that.

21 Q. Now, I have a question about recommendation
22 No. 5 in your brief.

23 A. In our brief?

24 Q. Yes; on page 96. You state there:

25 "In no other industry would the employer
26 be barred from having any part in the selection
27 of his servants and in the setting of their
28 qualifications..." Do you think there is a

29 distinction between the selection of the servants and
30 the setting up of their qualifications?



1 English

2 A. Yes.

3 Q. And, as a matter of fact, does the
4 Shipping Federation sit on the examinations of masters
5 and mates?

6 A. No.

7 Q. And I understand, however, that the
8 shipowner has a choice of the masters or mates he wants
9 to employ?

10 A. Definitely.

11 Q Which is a difference...

12 A. In selection, yes.

13 Q. Would you also say that the same applies
14 in the reverse, however -- that the masters and mates
15 have the option to select their employer, while the
16 pilots don't have any such choice on a true basis?

17 A. Well, this is a rather involved question,
18 Mr. Lalonde as to who is the employer of the pilot.
19 You would get into all sorts of ramifications in trying...

20 Q. I am trying to do it without getting
21 involved deeply into the legal ramifications of the
22 question. I am taking your statement as you have
23 put it in your brief. You consider yourself here
24 as the employer and the pilot as the servant, so I am
25 putting it to you on the same basis as you have put it
26 in your brief. I am not changing your statement.

27 Would it not simply be the case that this
28 particular instance if the employer has got the choice
29 of the servant then the same applies to the servant
30 towards the employer.



1 English)

2 A. Of course, the master and mate are free
3 to serve with whoever they wish; I am not denying that.

4 Q. So that the argument to the effect that
5 the ship-owners have no choice of the pilot cannot be used
6 as such to sit on boards of examination, because the
7 reverse is true so far as the pilot is concerned?

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1 English

2 A. The point you are making is that the
3 ship owners with their experience and their judgment
4 could contribute something in the selection of pilots.

5 Q. You mean to say that the public interest
6 is not served by the representatives appointed by the
7 Department of Transport on these boards of examiners?

8 A. Yes, but that should be no justification
9 for not taking advantage of any contribution the ship
10 owners can make in regard to the selection of pilots.

11 Q. Is there any particular reason why
12 countries like France, Italy, Germany, Holland, Belgium
13 and the Suez Canal have not seen the light yet in that
14 respect?

15 A. Well, I cannot say whether they have or
16 not, but I know that in many pilotage districts in the
17 U.K. they do have a say and they have an influence on
18 the type of pilots that are taken into the service.

19 Q. The only example which you spoke about
20 and you know, you feel sure about, was Glasgow yesterday,
21 was it not?

22 A. That is right.

23 Q. There it is the Clyde Pilotage Authority
24 which sits on the examinations?

25 A. Yes.

26 Q. Not the British Shipping Federation
27 representatives as such?

28 A. No, the Clyde Trust; composed or included
29 in that body are ship owners.

30 Q. You said that the shipping industry is



1 English
2 not satisfied with the present system of apprenticeship.
3 What is it that you do not like about the present
4 system of apprenticeship? I am quoting here page 96
5 at the bottom of the page of your brief.

6 A. I think there is a misquote there
7 somewhere.

8 MR. BRISSET: Captain, will you read the full
9 paragraph to which you are directed to look? Will you
10 read it aloud?

11 THE WITNESS: "The shipping industry
12 is not satisfied with the present
13 system of apprenticeship in the
14 districts under review and believes
15 that it would be in the interest
16 of pilotage if both the pilots
17 themselves and the industry were
18 to participate to a greater degree
19 and with Government assistance,
20 technical and otherwise, in the
21 development of competent pilotage
22 material, a matter which could be
23 the subject of a study by the
24 proposed Board of Pilotage
25 Commissioners with a view to
26 finding solutions to the problems
27 which are now common to all
28 districts."

29 MR. LALONDE: Q. Yes. I understand that
30 you would like ship owners to sit on those boards of



1 English

2 examination; but what else is unsatisfactory with the
3 present system of apprenticeship? ~~supposedly~~ ~~improved~~.

4 A. I personally was concerned with the
5 training system at one time and subsequently the
6 pilotage committee of the Federation, but this has been
7 rectified to a great extent in latter years.

8 Q. Yes?

9 A. I feel that there is still room for
10 improvement in that ship handling, which is, as I have
11 already stated, extremely important in the basic
12 training of the pilot, has been included somewhat, but
13 there is no provision made for extensive training in
14 ship handling.

15 Q. Are you referring now to the apprenticeship
16 schemes as they are in existence in Montreal and Quebec
17 districts?

18 A. Yes.

19 Q. Have you ever made representations that
20 there should be some further improvements in ship
21 handling training?

22 A. Invariably it has been discussed with
23 the Department, I think. I do not think we have made
24 official representation along that line.

25 Q. Is it not a fact that in most harbours
26 in the world you have special docking pilots to do the
27 ship handling as such in the harbours?

28 A. In a great many of them I have been to,
29 that is correct.

30 Q. Are there other deficiencies in the



1 English

2 present apprenticeship schemes which you aim at by
3 this statement here?

4 A. No. As I say, they have improved
5 considerably and other than the statement I have just
6 made I do not think I have got anything else to say.

7 Q. In the recommendation No. 7, page 98,
8 you suggest greater coordination as to aids in
9 navigation. I am not asking questions opposing this
10 view or anything. Is it not a fact, however, that in
11 the past there have also been improvements -- well,
12 not improvements; I would not call them that -- changes
13 in the aids to navigation without previous consultation
14 with the pilots and at the request of ships owners?

15 A. There have been improvements, yes.

16 Q. Requested by the Shipping Federation or ---

17 A. Requested by the Shipping Federation.

18 Q. Was there any consultation with the
19 pilots before making such requests?

20 A. I believe so.

21 Q. We have heard also about the installation
22 of light at Cap la Baie in the Quebec district?

23 A. Yes, I have heard about that.

24 Q. Did you hear complaints about this?

25 A. I just do not recall.

26 Q. This was not made under your
27 representations, this change?

28 A. No. I understand that change was
29 made as a result of representation by the domestic
30 shipping.



1 English

2 Q. Would you be in a position to state
3 whether in your opinion such light there is necessary
4 or useful?

5 A. Oh, I would not like to make a comment
6 on that.

7 Q. I must say, Captain Matheson, the
8 pilots have certainly no objection to the idea that
9 there should be a regular meeting in that respect,
10 a coordination of the activities.

11 A. Yes.

12 Q. Recommendation No. 8 is about the out-
13 lawing of individual or collective strike action by
14 the pilots. You referred to requests for information
15 by ship owners abroad once in a while as to how the
16 situation was developing on the river before they could
17 send ships here. Do you mean to say that these
18 requests are made strictly in connection with the
19 problems connected with pilotage?

20 A. That is what I was referring to.

21 Q. Ship owners therefore are getting in
22 touch with you from abroad and asking you how is the
23 pilotage situation going to be this year, but they do
24 not ask you any question about how the longshoremen
25 situation is going to be this year?

26 A. Well, I have no experience as far as
27 the longshoremen are concerned, because it is only
28 recently we have had difficulty in that regard with
29 longshoremen. We have gone years without having
30 any difficulty with our longshoremen, Mr. Lalonde,



1 English

2 until this past year.

3 Q. What about Toronto?

4 A. Toronto is a comparatively new port. It
5 was only the previous year that we had difficulty there.
6 This is all a new development that we are discussing
7 now.

8 Q. Is it not usual for ship owners to get
9 in touch with the country where they want to send ships
10 or where they send ships regularly to enquire whether
11 they have to expect any labour or other trouble in the
12 coming year?

13 A. These principals in the U.K. did not
14 get in touch direct with the Federation. What I
15 explained was that the principals got in touch with
16 their agents who in turn called me up and asked me:
17 "What is the situation? Is there going to be difficulty?"

18 Q. You are reporting what some agents told
19 you when they called you?

20 A. Exactly.

21 Q. Did these agents state that they were
22 calling at the request of their principals?

23 A. Yes. They had some requests for their
24 principals before the principals took action to close
25 a charter or send a ship.

26 Q. On how many instances did this occur?

27 A. Oh, it is difficult to say now. I do
28 not even know if I took note of the times it occurred.
29 It was just a situation that I got concerned about and
30 even if it just happened once or twice it was a situation



1 English

2 that I was a little bit concerned about.

3 Q. Did I hear you say that it happened once
4 or twice?

5 A. I could not tell you how often it
6 happened. It was the situation I was concerned with,
7 not with the frequency or the number of times I was
8 advised of this.

9 Q. You stressed the importance of the
10 reliability of the pilotage service, and I will not
11 quarrel with you on this. Is it not a fact also, however,
12 for a lot of other industries in the country, such as
13 the railway?

14 A. I cannot deny that, but it is an
15 important situation for pilotage particularly. That is
16 the point I am making.

17 Q. You also referred to the fact that
18 Captain Low has stated that there never was any
19 strike in the United States of their members. Have
20 you noticed that Captain Low when he made such a
21 statement always referred to his member associations
22 and not the associations which might not be members
23 of the American Pilots Association?

24 A. Will you repeat that?

25 Q. In your conversations with Captain Low
26 is it not a fact that Captain Low made a statement
27 to the effect that there had been no strike among the
28 pilots, the members of the American Pilots Association,
29 and he did not make any statement as to the other
30 pilots who might not have been members of the



1 English

2 association?

3 A. That is so. He was referring to
4 associations that were affiliated with the American
5 Pilots Association.

6 Q. Are you aware -- and I would not talk
7 about all the States; I do not know, to tell you the
8 truth -- but there does not seem to be any prohibition
9 of the right to strike as such in the American
10 legislature. Do you know of any legislation in the
11 States where there is a straight prohibition of the
12 right to strike in that respect?

13 A. No, I do not.

14 COMMISSIONER SMITH: Would that prohibition
15 apply to what is commonly called the enrolled pilots
16 licensed by the federal authority?

17 THE WITNESS: Do you mean the provision not
18 to strike?

19 COMMISSIONER SMITH: Yes.

20 THE WITNESS: I do not know if there is
21 such legislation; I am not sure. I do not know that.
22 I cannot answer that question, Mr. Smith.

23 THE CHAIRMAN: I understand over there it is a
24 rather different enterprise. There is no law against
25 the lawyers that may decide to strike -- free enterprise.

26 MR. LALONDE: Could the lawyers have a short
27 conference, My Lord?

28 THE CHAIRMAN: The doctors have.

29 MR. LALONDE: Q. Have you ever met pilots
30 on the St. Lawrence river who told you they were happy



1 English

2 this year to go on strike?

3 A. That what?

4 Q. That they would be happy this year to go
5 on strike?

6 A. Of course not.

7 Q. Would it be fair to say that these
8 difficult situations which have arisen in the St.
9 Lawrence River over the years -- I am going back here
10 as far back as the 1930's; you remember we had Captain
11 Pouliot in Quebec who stated there was a strike in the
12 1930's of the Quebec pilots -- would it be fair to
13 say that these men, many of whom have been masters of
14 ships before and all that have been put into situations
15 where they could not see any other way of having some
16 of their grievances redressed at some time? By this
17 I mean that a lot of all that trouble could depend on
18 the administrative structure of pilotage in Canada.

19 A. Well, I will answer that question with
20 this.

21

22 --

23

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27

28

29 --

30



1 (English)

2 I do not think there can be any justification
3 for a pilot going on strike. The profession is such
4 that there is no justification for a pilot going on
5 strike and, to answer the second part of your question,
6 I would say that the administration has a certain amount
7 of responsibility when a situation like that develops.

8 Q. Would you say that the pilots have a
9 certain responsibility in that respect?

10 A. Of course.

11 Q. Would you say the shipowners have a
12 certain responsibility in this respect?

13 A. I can only talk for the Federation.
14 As I previously explained, we have always had a generous
15 approach to the pilots in our dealings with the pilots.
16 The doors of the Federation have always been open for
17 the pilots to come up and discuss their problems with
18 us. We are only too happy to see them. It is
19 unfortunate when a situation like that develops, I can
20 assure.

21 Q. We will come to that later on, but you
22 say that the door was always open. Why is it that
23 during the whole stoppage of work in 1962 it was
24 impossible for the pilots to get in through that door?

25 A. It was not impossible to get in through
26 the door but we were so concerned about the situation -
27 the industry, we felt, should be reliable in every
28 respect and to go on strike without too much warning
29 was not responsible. In our view that was done without
30 very much justification. The position in which we



1 (English)

2 found ourselves at that time was such that if we could
3 not rely on pilotage service then we must make some
4 other provisions.

5 Q. And the door was closed then?

6 A. We have always wanted pilotage and we
7 need it and the pilots need us, but we were faced with
8 a particular situation then and it was such that we
9 were more interested in making provision for getting
10 our ships up to Montreal under very adverse conditions
11 than we were in going to talk things over with the
12 pilots - that is a fact - on account of the circumstances.

13 Q. Would you say that in these
14 circumstances as well as previous circumstances there
15 is a difference between what you call an open door
16 policy in which you have people coming in and listen
17 to them and tell them, "It was nice to have seen you;
18 the answer is no. We will meet next year" and an
19 open door policy where matters are really negotiated?

20 A. I do not think this is a fair
21 assumption, Mr. Lalonde. I will repeat that we have
22 always had a generous approach to the pilots in their
23 problems whether they were financial or otherwise.

24 Q. Could it be that one of the factors
25 which has resulted in there being very little stoppage
26 of work in the United States pilotage services was
27 that pilots pretty well ran their own business?

28 A. I think the reason they have had such
29 a marvellous record is because of the influence of the
30 American Pilots Association. It has been principally



1 (English)

2 on that account I would say, Mr. Lalonde.

3 Q. Could it be also that one of the
4 factors in the United States would have been shipowners
5 have been more interested in the efficiency of the
6 pilotage service than actually in the dollars and cents
7 the pilots were getting at the end?

8 A. I could not say. I could not comment
9 on that. I do not know.

10 Q. Are you aware, however, that the
11 shipowners in the United States do not exactly know
12 what pilots are getting net?

13 A. I do not think that is correct.

14 Q. How do they get this information as
15 far as you know?

16 A. I have not studied the American
17 system but I understand that there are public hearings
18 and the pilotage bodies have to throw their financial
19 books and statements open to the public.

20 Q. When there is a request for an increase,
21 that is?

22 A. Yes.

23 Q. You made a statement about the generous
24 attitude of the Shipping Federation generally speaking.
25 How is it that there was hardly a wrinkle on the part
26 of the Shipping Federation when a \$200 tariff was set
27 up in the Kingston district for the international
28 section and yet there was a categorical no when a
29 tariff of \$160 was requested for the Cornwall pilots,
30 who are doing a longer trip and the same kind of work?



1 (English)

2 A. You are comparing two different
3 situations there, Mr. Lalonde. The rate between
4 Cornwall and Kingston is an all-inclusive rate.

5 Q. Yes.

6 A. A pilotboat and everything else is
7 included but that is not the case insofar as the
8 rate is concerned below Cornwall, so it is hardly a
9 valid comparison.

10 Q. Are you aware that what the Cornwall
11 pilots requested was the same net tariff as the
12 Kingston pilots?

13 A. I do not recall now.

14 Q. You do not recall that? You never
15 investigated that either, did you?

16 A. I probably did but I just do not recall
17 at the present time.

18 Q. Would you have objected if what I am
19 stating is correct, would you have objected to such a
20 proposition?

21 A. Would you just explain what you mean
22 by that. Objected to --

23 Q. The idea that the Cornwall pilots
24 should be entitled to get the same net tariff as their
25 colleagues in Kingston were getting for the same
26 job - as a matter of fact, a job which on a per trip
27 basis is so much shorter?

28 A. To answer that in a general way, I
29 think we would be in favour of a uniform amount, a
30 uniform net amount for all pilots in the St. Lawrence.



1 (English)

2 Q. My question is very different. I am
3 talking about tariff. I am asking you whether you
4 would have objected to the same net tariff per trip
5 for pilots between Montreal and Cornwall as between
6 Cornwall and Kingston?

7 A. I find it a little difficult to
8 understand this. We have always been leery of
9 juggling with tariffs.

10 Q. That is the idea? That is why you
11 said no when the Cornwall pilots requested that net
12 tariff in 1962?

13 A. I cannot recall what the reason was
14 when we rejected that.

15 Q. Previously I asked you whether the
16 fact that the American pilots were pretty well running
17 their business was a factor in favour of a stable
18 operation in the United States. You answered that in
19 your opinion the role of the American Pilots
20 Association was important. I want to come back to
21 my question, however. Do you think the fact that the
22 pilots are not, shall we say, led around like school-
23 boys is an important factor in the situation in the
24 United States?

25 A. It is pretty difficult to answer that
26 question, Mr. Lalonde.

27 THE CHAIRMAN:: In order to straighten the
28 record I think I should say that there was something in
29 the "Legal Review" last year or the year before to the
30 effect that Montreal lawyers went on open strike once



1 (English)

2 before the Superior Court in Montreal - and also, there
3 is always a strike between some one judge and another
4 judge.

5 ---SHORT RECESS

6 ---ON RESUMING

7 Q. Captain Matheson, I do not want to get
8 involved with the various facts concerned with the
9 period after 1960 because I understand Mr. Colley is
10 going to give evidence in that respect. However, you
11 stated that in April 1962 you were much too busy trying
12 to get your ships up to Montreal to meet with the
13 pilots. Do you not think --

14 A. Well ---

15 Q. Excuse me, am I reporting you wrongly?

16 A. You carry on and then I will reply.

17 Q. Do you not think that the best way to
18 have got ships to Montreal would have been to meet with
19 the pilots and try to make an agreement?

20 A. We did not refuse to meet with the
21 pilots but the pilots were on strike.

22 Q. Did you not receive telegrams to the
23 effect that the pilots were willing to meet at any time
24 with the shipowners and/or the Department?

25 A. That was the position of the
26 Federation. We were prepared and willing to meet at
27 any time. If I conveyed the impression that we were
28 too busy thinking about getting our ships up and that
29 on that account we could not meet with the pilots, I
30 gave the wrong impression. I did not intend to give



1 (English)

2 that impression.

3 Q. Was the position you took not rather
4 to the effect that you would not meet with the pilots
5 before they would go back to work?

6 A. I do not know if we actually took that
7 position.

8 Q. Well, we will keep that for Mr.
9 Colley.

10 A. Mr. Colley will probably be able to
11 answer that.

12 Q. I want to come to Recommendation No.
13 10, page 103. The first paragraph of that is, let us
14 say, fantasy or hypothesis at the most, and there is
15 no evidence to support that so I do not think we should
16 spend too much time on this. However, I want to
17 develop the last paragraph about this famous telegram
18 which seems to have incensed so many people in the
19 shipping trade. I refer to the telegram reproduced
20 as Appendix 73 in your brief. I must say that still
21 at the present time for the life of me I have difficulty
22 in seeing what is wrong with this telegram. I would
23 like you to tell me what is the trouble. First of
24 all, is it not a fact that this service for radio
25 telegrams is a public service in Canada in the sense
26 that anybody can use it to call a ship or send any
27 message to a ship?

28 A. But this was a case where a public
29 service was used to enhance a strike situation. That
30 was our difficulty with this.



1 (English)

2 Q. Could it be seen otherwise? Could it
3 not be seen as a responsible action on the part of
4 pilots advising mariners that they will not be available
5 and that consequently it is dangerous to proceed?

6 A. If the pilotage service is not there and
7 not available, then it is up to the judgment of the
8 master to decide what he is going to do and what he is
9 not going to do. He should not be influenced to do
10 this or to do that or to do the other thing.

11 Q. Then tell me, was this telegram wrong
12 in that it would have prevented a master of a ship from
13 making his own judgment?

14 A. "We advise you find safe anchorage
15 East Escoumains until further notice."

16 Q. And this is signed by whom?

17 A. By the Federation of the St. Lawrence
18 River Pilots.

19 Q. Yes. Then could a master be confused
20 by this to the point of taking it as an order from the
21 government of Canada?

22 A. No, but any such suggestion should have
23 come from the government of Canada. What right had
24 the Federation of St. Lawrence River Pilots, without
25 consultation with the government or the shipping people
26 against whom they were striking to send out a telegram
27 like this? That is our objection. Who is this
28 Federation of St. Lawrence River Pilots that they should
29 take this position and tell our ships or suggest to our
30 ships what they should do?



1 (English)

2 Q. What in the law or otherwise prevented
3 them from exercising such a right since this is a public
4 service?

5 A. Any action like that should have been
6 taken by the Department of Transport and if the
7 Federation of St. Lawrence River Pilots felt it was
8 their duty to take this action it should have been done
9 in consultation with the Department of Transport. I
10 know and the Shipping Federation knows that when these
11 telegrams were sent out using the government facilities
12 and the Department of Transport facilities, there was
13 no consultation with the Pilotage Authority prior to
14 that.

15 Q. Yes. As a matter of fact, are there
16 consultations with the Department of Transport or the
17 Shipping Federation before using that service for any
18 other purpose? Do you mean to say there is
19 consultation with the Department of Transport every
20 time you use this radio telephone service to get in
21 touch with a ship?

22 A. I think that is quite a completely
23 different thing, Mr. Lalonde.

24 Q. Is there any threat in this telegram?

25 A. We have not accused the Federation of
26 St. Lawrence River Pilots of making a threat.

27 Q. So could it not be just considered as
28 a responsible action of men who know the river to
29 inform the masters that they were not there to provide
30 a service, period? And what is wrong with that?



1 (English)

2 A. If the Federation of the St. Lawrence
3 River Pilots wanted to be responsible, they should have
4 serviced the ships that were coming up the Escoumains in
5 the worst part of the season when there were no buoys
6 down and there was very bad weather. That would have
7 been responsible action. If they wanted to call this
8 stoppage of work, they could have called it at a time
9 when the buoys were down and when the masters of our
10 ships would have had a sporting chance to get their
11 ships safely to their destination.

12 Q. But there was no problem because once
13 they were notified they could have been safely waiting
14 below Escoumains. There were very few ships involved?

15 A. There was quite a number of ships
16 involved.

17 Q. I am glad to know that now because in
18 Quebec City I was given to understand there were very
19 few ships involved?

20 A. The list of the ships involved ---

21 Q. Very few ships were delayed? I
22 think that is the statement I heard in Quebec City.

23 A. Well, I think the next witness for the
24 shipping companies, the witness after me, will be able
25 to give you in his testimony the ships that proceeded
26 up and what delay they suffered and the reasons for it,
27 Mr. Lalonde.

28 Q. Is it not a fact that the reason for
29 which you were so incensed by this telegram was because
30 you were not able to put pressure upon your masters to



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Matheson, cr.ex.
(Lalonde)

12753

1 (English)
2 come up the river anyway, pressure which otherwise you
3 wanted to exert upon them?

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1 English

2 A. Now, Mr. Lalonde, you are getting a little
3 bit out of your sphere when you talk like this. There
4 is no responsible ship-owner going to put any pressure
5 on a master to do anything that, in his judgment he
6 shouldn't do.

7 Q. Well, I am afraid I have to answer that
8 there seem to be some irresponsible ship-owners, because
9 I have been informed that that master said that they
10 have been the subject of pressure from agents.

11 THE CHAIRMAN: Well, of course, I suppose you
12 will establish that, because it is not in evidence.

13 And while we are on the subject, Mr. Lalonde,
14 I would just mention a thought here that may be considered,
15 as to whether the sending of this telegram was not an
16 act circumventing the privilege of the pilotage authority
17 who should provide the service for the master.

18 MR. LALONDE: Well, I think, My Lord, that it
19 would be interesting to note that there is nothing at
20 all to prevent the pilotage authority from sending any
21 information it wanted, and advising that there was no
22 problem and that ships could have come up anyway.

23 THE CHAIRMAN: But you have to think of the
24 circumstances, and you have also to think that this is
25 not a normal procedure for pilots to advise shipping
26 as to whether pilots would be available or not. This
27 is a matter for a dispatcher.

28 I am not making any ruling; I am just giving
29 you one of my thoughts on this.

30 MR. LALONDE: One could also say that the



1 English

2 stoppage of work was not quite a usual procedure either.

3 MR. LANGLOIS: May I say that as far as the
4 attitude of the pilotage authority is concerned, we
5 have a different example of that when the pilots advise
6 the ship owners against going up the Chicoutimi with a
7 certain type of ship. The Department of Transport has
8 advised that they should get in touch with the owners
9 of the ship and tell them that it is risky; but the
10 Department of Transport took the attitude that they
11 weren't going to interfere.

12 THE CHAIRMAN: Yes; but in a case like that
13 the request came from the master or the ship owner who
14 asked for some advice, and then they were referred to
15 the pilot. That is all right; but in this the pilots
16 were on their own, advising at large all the shipping
17 interests of the fact that they should not proceed
18 unless at their own risk.

19 MR. LANGLOIS: And in this case the pilot
20 asked the pilotage authority to advise the owner that
21 there was some risk.

22 THE CHAIRMAN: In a case like that it is up to
23 the pilot to say that there is danger for a ship. He
24 is there as an advisor and it is his duty to do so.
25 But in a case like this one if there had been a storm
26 or a hurricane coming up then it would have been all
27 right; but this was not the situation.

28 In any event, this is something we may think
29 of, and I prefer to think aloud here than to think when
30 we are studying the matter over there.



1 English

2 MR. LALONDE: Perhaps this could be called an
3 administrative hurricane in April, 1962.

4 MR. LANGLOIS: I wouldn't think that this
5 telegram had any information that was not known, because
6 the news of the stoppage was all over the radio.

7 THE CHAIRMAN: Then, we might ask why the
8 telegram was sent.

9 MR. JACQUES: It might also be considered the
10 equivalent of a picket line where the employees stand
11 before a door and say "Don't go into the store".

12 THE CHAIRMAN: In any event, it is a matter
13 that you may consider further when you come to your
14 argument.

15 MR. LALONDE: Q. I would like to proceed with
16 recommendation No. 12, Captain. You suggested, in
17 connection with this recommendation, that all pilots
18 should go through a station before going on board
19 ship.

20 A. I think I said it would be advisable
21 procedure if it was convenient in all other respects.

22 Q. Do you realize, for instance, that it
23 would mean that all Canadian pilots at Kingston would
24 have to go through Cape Vincent first before going
25 aboard a ship?

26 A. Would have to go ---?

27 Q. --- through Cape Vincent pilotage office
28 and back to the ship.

29 A. Oh, there are difficulties; undoubtedly
30 there are difficulties; but I am not satisfied that that



1 English

2 is the proper procedure to have a pilot off Cape
3 Vincent.

4 Q. And would it not mean, for instance, that
5 Cornwall pilots would have to come to Sutherland Pier
6 and go back to St. Lambert lock before going aboard the
7 ship at all times of the night and day?

8 A. That is so. It is really an administrative
9 question, when one comes down to it, that has to be
10 resolved, but the point I was making, Mr. Lalonde, is
11 that it would be a very good precaution; it could be
12 termed as a precaution.

13 THE CHAIRMAN: Even there -- we are not making
14 a ruling -- but there is a great deal of merit in it.
15 There are a lot of difficulties. I think we might
16 divide the situation into two aspects. The first one
17 would be when the pilot boards the ship always at the
18 same place through a pilot boat, or at a pier, or at a
19 lock. The other aspect would be like in Montreal harbour
20 where they may be called to board a ship at 15, 20 or
21 30 miles away. That is an aspect which would have to be
22 considered, having in mind that this is a question
23 of security.

24 MR. LALONDE: Q. Would you consider that this
25 action required from the pilots -- if it were to be
26 made compulsory -- would be part of the work load of
27 the pilot?

28 A. I would say from the time he leaves his
29 base or station it would be considered as part of his
30 work load.



1 English

2 Q. I would like to ask you a few questions
3 about the good old times. Isn't it a fact that previous
4 to 1957-58 meetings usually took place between the
5 pilots and the ship-owners at the Shipping Federation
6 office?

7 A. Right.

8 Q. And that an official of the Department
9 of Transport would generally be in attendance?

10 A. Yes.

11 Q. That officer for many years, it seems,
12 was Captain Slocum; is that true?

13 A. Yes; Captain Slocum, generally.

14 Q. And isn't it a fact that you would have
15 meetings with Captain Slocum before the pilots would be
16 admitted?

17 A. I don't recall that. We would have
18 meetings with the pilots before the Department was
19 admitted, in some cases.

20 Q. I am talking about formal meetings to
21 which the pilots were coming every year to make their
22 representations. Was not the general procedure
23 followed the one I have described? That is, the pilots
24 would be called, let us say, for 10:00 o'clock and they
25 would be made to sit out in the hall until 10:30 while
26 there was discussion inside with Captain Slocum?

27 A. No.

28 Q. And then the pilots would be called in at
29 10:30?

30 A. I can't recall the pilots ever being



1 English

2 required to wait in the hall, or any government
3 official. I can't recall that at all, Mr. Lalonde.

4 Q. Then, I will refresh your memory with
5 direct evidence in this respect.

6 A. Maybe.

7 Q. Have you ever heard one of your executives
8 committee members in your presence declare, just before
9 such a meeting, something like "We will fix those peasants"?

10 A. Definitely not.

11 Q. Now, I would like to ask a few questions
12 about what you stated about the corporation system. We
13 have seen that when the corporations were set up in the
14 later part of the 1950's -- in some cases during 1960 --
15 you had difficulties and even stoppages of work before
16 the corporations were set up; is that a fact?

17 A. Yes.

18 Q. And, therefore, it would be wrong to
19 conclude that there is a connection between the creation
20 of the corporations and the difficulties which were
21 encountered in terms of stoppages of work.

22 A. These stoppages of work, Mr. Lalonde,
23 occurred, if not after the corporations were formed,
24 during the time these corporations were being formed.

25 Q. Do you mean to say it took two years in
26 the St. Lawrence-Kingston-Ottawa district to set up a
27 corporation system -- between 1955 and 1957?

28 And, if I may ask another question, then, that
29 it took three years in the case of the United Montreal
30 Pilots, because your brief refers to a strike in 1957 and



1 English

2 the corporation was set up in 1960 only?

3 MR. BRISSET: 1959.

4 THE WITNESS: 1959.

5 MR. LALONDE: I will check that. Yes, that is
6 correct; 1959.

7 Q. You also referred to the intervention of
8 the American organization -- the International Organization
9 of Masters Mates and Pilots -- and to the effect that
10 50 per cent only belong to that organization.

11 A. Well, that was a rough percentage; and
12 that was the information I had at that time.

13 Q. Weren't you informed that, in fact, all
14 the pilots in this district were members for a while of
15 the I.O.M.M.P. including Captain George Downey?

16 A. No, I wasn't informed of anything of the
17 sort.

18 Q. And you stated that it was through their
19 influence that there was the dislocation of the 1959
20 stoppage of work in Kingston?

21 A. Yes.

22 Q. Were you aware that the pilots had
23 rejected and cut off any affiliation with that
24 organization in the fall of 1958?

25 A. Not all the pilots; certainly not the
26 executive of the Kingston pilots at that time.

27 Q. In 1959?

28 A. The latter part of 1958.

29 Q. I am saying that by the fall of 1958 the
30 charter of the I.O.M.M.P. was returned and there were



1 English

2 no more members in the Kingston district of that
3 organization.

4 A. There may not have been members, but
5 there was a close relationship with the executive.

6 Q. Did this extend into 1959?

7 A. Certainly the latter part of 1958.

8 Q. You wouldn't be in a position to state
9 that this organization had anything to do with the
10 stoppage of work in 1959?

11 A. There was a close relationship.

12 Q. In 1959?

13 A. Early 1959; I just can't nail it down
14 to the week or the month, Mr. Lalonde, but there was a
15 close relationship between the executive of the St.
16 Lawrence-Kingston district and Captain Rolla Johnston
17 around about that time.

18 Q. I was more interested to see that you
19 offered to reimburse the shipping company who was
20 providing a lawyer for Captain Downey, at your suggestion.
21 Did, in fact, the Shipping Federation reimburse those
22 fees?

23 A. Yes; we always carry out our obligation.

24 Q. And has this been a practice in the
25 Shipping Federation. to subsidize pilots who would feel
26 they have some grievance with their organization?

27 A. My only comment in that regard is that
28 this was a particular case; and it is the only time it
29 has been done, to my knowledge.

30 Q. To your knowledge.



1 English

2 I am asking you this question -- and I am not
3 going back far -- but I have before me an affidavit
4 which I would read to you; and although there might be
5 some distance between the two I am wondering whether
6 this was not a practice which was carried on. The
7 affidavit reads as follows:

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1 English

2 "I, the undersigned, Louis Joseph
3 Alexandre Paquette, retired, living
4 at 1413 Boulevard LaSalle, Verdun,
5 being duly sworn on the Bible
6 declare as follows:

7 1. I am the son of Joseph Paquette,
8 deceased, previously pilot in
9 the pilotage section of Quebec.

10 2. Around April, 1918, the Court
11 of Appeal of the Province of
12 Quebec gave reason to the
13 Corporation of the Quebec
14 Harbour Pilots and below in a
15 lawsuit against my father
16 concerning the right of the
17 corporation to put in a pool
18 the pilotage dues received.

19 3. I declare that at the time of
20 the judgment of the Court of
21 Appeal my father was deceased.

22 4. I declare by the present that
23 after the judgment of the
24 Court of Appeal Maitre Romeo
25 Langlais, deceased, has informed
26 me that he had received the
27 sum of \$8,000.00 or thereabouts
28 from the Shipping Federation
29 in order to take this case to
30 the Privy Council.



1 English

2 5. I declare that neither in my
3 quality as testamentary
4 executor of my father's
5 estate neither in my personal
6 quality I never had to pay
7 anything for such appeal to
8 the Privy Council."

9 It is signed "Louis Joseph Alexandre Paquette".

10 It is sworn before Miss Monique Brousseau in Montreal
11 on the 13th April, 1962, Commissioner for the Superior
12 Court of the District of Montreal.

13 Have you ever heard of anything like that?

14 MR. BRISSET: My Lord, I must object to the
15 introduction of this evidence of the 1918 events as
16 recorded in this affidavit because the facts therein
17 related are not correct. The matter is covered in the
18 report of a previous Royal Commission that sat and I
19 am just trying to find the reference. It is mentioned
20 in the brief of the Shipping Federation.

21 MR. LALONDE: The Robb Commission.

22 MR. BRISSET: The Robb Commission of 1918.

23 It is at page 105 of the brief of the Shipping
24 Federation:

25 "The Robb Commission recommended
26 to the Government to take up the
27 cudgel on behalf of the pilot and
28 to assume all the costs of bringing
29 his case before the Privy Council
30 where he finally obtained a judgment



1 English

2 in his favour against the Corporation."

3 MR. LALONDE: Yes, I read this report myself
4 and was really amazed at such a recommendation. I could
5 not imagine how the Government would be paying the cost
6 of a private litigation. Therefore I took the trouble
7 of writing to Ottawa and asking them to go through their
8 old file and see whether any such amount was paid to
9 federal funds for the cost of a private litigation
10 subsequent to this recommendation of the report.

11 Unfortunately I have not been able to get
12 any information whatever in that respect and I wrote
13 about this about a year ago.

14 THE CHAIRMAN: We will send a subpoena when we
15 are there.

16 MR. JACQUES: I think I can supply the answer
17 to my learned friend as soon as I have time to get
18 back to Ottawa or Quebec. I do not know really where
19 my file is, but I have the answer.

20 MR. LALONDE: That may be why the Department
21 never answered me back. As it is there there is
22 no recommendation in the affidavit I have just read.
23 It is just a recommendation by the Commission.

24 THE CHAIRMAN: Of course, I tell you that the
25 affidavit has not been proved before us. We just take
26 it as part of the question you are putting to the
27 witness.

28 MR. LALONDE: Yes. We can always establish
29 the affidavit later on if necessary, but I think it is
30 a little bit outside the period which the Commission



1 English

2 would like to cover.

3 THE CHAIRMAN: Yes -- as a question to the
4 witness, that is all.

5 MR. LALONDE: Q. As far as you know this is
6 the incident which you referred to in connection with
7 Captain Downey and is the only one in which you were
8 involved personally?

9 A. Exactly.

10 Q. You were at this 1918 Commission. Have
11 you ever heard of Mr. Robb?

12 A. Yes.

13 Q. I understand he was president of that
14 Commission at that time?

15 A. I do not know. I do not know if it is
16 the same gentleman, but there was a Mr. Robb secretary
17 of the Shipping Federation of Canada.

18 Q. Yes, quite so, at that time. Did you
19 ever hear of a Mr. Lindsay who was president also of
20 the Lindsay Commission in 1913 or 1914?

21 A. No.

22 Q. Was he not also an official of the
23 Shipping Federation?

24 A. I could not say; I do not know the name.

25 Q. Could you find in your records that
26 you ever had a Mr. Lindsay in your employment in the
27 early part of the 1900's?

28 THE CHAIRMAN: You had better give the
29 initials to make sure.

30 MR. LALONDE: Yes.



1 English

2 MR. BRISSET: I hope my learned friend is not
3 trying to attack the impartiality of these gentlemen.

4 MR. LALONDE: In 1913 and 1918? Well, I think
5 the facts speak for themselves. I am sure that if we
6 had appointed Captain Matheson as Chairman of the
7 present Commission, I have no doubt about his
8 impartiality; but he certainly has views.

9 Anyway, Mr. Robb is Thomas Robb, and as
10 information is also to the effect that he was secretary
11 of the Shipping Federation of Canada and he was sitting
12 on both the 1913 and the 1918 Royal Commission.

13 THE CHAIRMAN: I think this appears in your
14 brief.

15 MR. LALONDE: Yes, but I have not given any
16 brief in regard to this paragraph 59 of the Federation
17 of River Pilots brief.

18 THE WITNESS: Yes.

19 MR. LALONDE: Q. When Pilot Hamelin came to
20 see you about his difficulties with the Corporation of
21 Mid-St. Lawrence Pilots ---

22 A. There is a misunderstanding here. He
23 did not come to see me. He saw the counsel for the
24 Federation.

25 Q. He saw the counsel for the Federation;
26 I see.

27 A. And the counsel for the Federation
28 consulted with me about the situation.

29 Q. I see.

30 A. That is what I said.



1 English

2 Q. And in this particular case you decided
3 it would be preferable that the Shipping Federation
4 should not foot the bill again?

5 You expressed views -- and I think it is
6 reported in one of the documents you have tabled --
7 about the setting up of these organizations and the
8 worries you had about that. Would you tell me in
9 what way you felt that this was something so very
10 different from what was in existence at the time in
11 both of the districts of Montreal and Quebec?

12 A. At what time?

13 Q. The time when the corporation of the Mid-
14 St. Lawrence Pilots was set up in 1959 and the Lower
15 St. Lawrence Pilots was set up in 1960. What was so
16 different between these corporations and the associations
17 which existed before which made you take such a
18 strong view about the establishment of these
19 corporations?

20 A. The establishment of these corporations
21 was explained to me in the first instance ---

22 Q. Excuse me -- it was explained to you
23 by whom?

24 A. By Paul Guerin Lajoie at one of these
25 local pilotage committee meetings.

26 I expressed at this particular meeting my
27 concern at the situation. My concern was that here
28 is an attempt to take away the authority of the
29 Department of Transport. Here is a situation where
30 we are going to get into the authority that the



1 English

2 Department should rightly have being taken over by the
3 corporations. That was the explanation as I understood
4 it from Mr. Paul Guerin-Lajoie. That is what was
5 actually happening and I was concerned about that
6 situation.

7 Q. In what way were these corporations
8 taking away the authority of the Department of Transport
9 as opposed to the previous organizations before?

10 A. Well, I do not know what you mean "as
11 opposed to the previous organizations". I was concerned
12 when I got the explanation of what these corporations
13 were. Mr. Guerin-Lajoie explained that they wanted
14 the legal right to distribute the moneys of the pilots.

15 Q. Yes. Was this not done effectively
16 according to the pilotage by-laws of Montreal for
17 instance, which still specify nowadays that the
18 pilotage dues must be paid over by the pilotage
19 authorities to the United Montreal Pilots? What was
20 new in that respect? What was so different?

21 I refer you in particular to Article 21
22 paragraph 2 of the Montreal Pilotage by-laws.

23 You do not have anything to say in answer
24 to this question?

25 A. No, I have got nothing to say.

26 MR. BRISSET: My Lord, this is all covered
27 at great length on pages 26, 27, 28 and 29 of the
28 Shipping Federation brief.

29 MR. LALONDE: I know, and those pages, My Lord,
30 are all wrong. That is why I want to raise them with this



1 English
2 witness.

3 THE CHAIRMAN: Well, you are asking for facts,
4 not to change the evidence. You do not want to convince
5 him to change his evidence?

6 MR. LALONDE: I want to know on what basis
7 he opposed such a change at the time -- why the reasons
8 were bad. I am not trying to argue with him. As I
9 say, he has his views and I respect them.

10 Q. Therefore, as you know, before the set-up
11 of the corporations there existed pools, did there not?

12 A. Yes.

13 Q. And according to these pools the pilotage
14 dues were paid over to the associations both in Montreal
15 and in Quebec; is that correct?

16 A. That is correct.

17 Q. Have you got anything against pools
18 in pilotage?

19 A. No.

20 Q. Under the corporation system you still
21 had pools and the money was put in those pools.

22 I think one point which you have raised, or
23 which was raised before this Commission, was the fact
24 that a man could not go out of the corporation unless
25 the Board of Directors or the general meeting of
26 members agreed to it. That is one point I think
27 you seem to object to as being a new feature as opposed
28 to the previous system; is that correct?

29 A. That is correct, and the fact that a man
30 had to sign a power of attorney and all his earnings from



1 English

2 there on were controlled by the corporations.

3 Q. All right; let us take them in order.

4 On the first point which you have raised in answer to
5 my question, you are aware that the association in
6 Quebec, the partnership had been formed for a period of
7 56 years and that no member could get out of the
8 partnership without the authorization of the members
9 of the partnership before the end of the partnership,
10 and that is 1980.

11 Would you say that a 56-year partnership is
12 pretty well similar to an agreement by which one will
13 not go out of a group without the assent of the Board
14 of Directors of that group? It is pretty well a life
15 time engagement?

16 THE CHAIRMAN: That it must not be.

17 MR. LALONDE: It must not ---?

18 THE CHAIRMAN: It must not be a life time
19 agreement, which would be illegal.

20 MR. LALONDE: Yes, that is it. It is a
21 limited period anyway.

22 Q. As far as the Montreal district is
23 concerned is it not a fact that they did not even need
24 the power of attorney because the money was turned
25 over to the United Montreal Pilots even according to the
26 pilotage district by-laws?

27 MR. BRISSET: My Lord, I think we are getting
28 into argument here and I am sure this question will be
29 fully covered in the argument.

30 THE CHAIRMAN: I think what Mr. Lalonde is



1 English

2 trying to find out and trying to show is that the facts
3 that existed before or the situation that existed
4 before was still the same after the incorporation.
5 The incorporation did not change one thing except the
6 limited company; that is all. That is what he is
7 trying to show.

8 MR. BRISSET: Well, Mr. Lalonde is trying
9 to make us all believe that we were born only yesterday.

10 MR. LALONDE: I would not go that far, My Lord;
11 I would say the day before -- some; including myself.

12 THE CHAIRMAN: There was certainly an
13 interest on the part of pilots to incorporate otherwise
14 they would not have.

15 MR. LALONDE: Q. You say at page 26 of your
16 brief that the St. Lawrence River pilots, all four
17 districts numbered only 228 men. May I refer you to
18 your own brief at page 4 where you have 20 temporary
19 pilots, by which you mean, I am sure, pilots between
20 65 and 70? Is that not the case?

21 A. Where is that -- the first paragraph?

22 Q. Well, page 4. You have a list of
23 figures there.

24 A. Oh, yes.

25 Q. You have a number 20 of temporary
26 pilots, 15 in Montreal River and five in the Quebec
27 District?

28 A. Yes.

29 Q. These are pilots between 65 and 70,
30 are they not? These are the ones you call "temporary



1 English

2 pilots"?

3 A. No.

4 Q. What are you calling "temporary pilots"
5 there then?

6 MR. BRISSET: My Lord, the list of these pilots
7 is on file. They are called "temporary pilots". If we
8 could refer to the list we would know.

9

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1 (English)

2 MR. LALONDE: There are no other pilots,
3 My Lord, between fifty-five and seventy which are
4 temporary. In Montreal there are a few with temporary
5 licences but it is only this year, and they are
6 replacing sick pilots.

7 THE CHAIRMAN: If the term was used in some
8 document it would be well for it to be found, and we
9 may come back to this subject tomorrow morning. I
10 would very much like this document to be found so we
11 will know exactly what was the meaning.

12 THE SECRETARY: I will do that, My Lord,
13 but if my memory is correct I think the document
14 referred to temporary Class C pilots.

15 MR. LALONDE: We had better find it because
16 there are no temporary Class C pilots in the district.

17 Q. Anyway, you would not have 228 but
18 248?

19 A. I am not sure what this 20 temporary
20 pilots represents.

21 Q. We will find out. You should add to
22 this the Kingston pilots anyway. You have 21 pilots
23 in the Kingston district.

24 A. I do not think there was any purpose in
25 leaving them out.

26 Q. They should be added on.

27 A. Yes.

28 Q. The number of 228 there is not
29 correct and should be amended. If you add 20
30 temporary pilots and 21 Canadian pilots, that would be



1 (English)

2 41 more men than those indicated there?

3 A. Yes, I would like to check that.

4 Q. You say it is only a few of these men
5 who are setting the policies of the group. Are you
6 stating this as a normal factor or are you, as you seem
7 to infer there, suggesting that there again there is a
8 kind of autocratic rule?

9 A. That was my understanding at the time.

10 Q. Yes?

11 A. And I was also concerned about that
12 situation. That was my understanding through my
13 close relationship with the different pilotage groups.
14 It was my understanding that that was what was taking
15 place.

16 Q. Is it not a fact that in all groups,
17 including the Shipping Federation, one needs to have a
18 delegation of power to a certain number of people?
19 In all groups you have a limited number of people who
20 are really thinking out the policies, proposing the
21 policies, and they are the people who make things go.
22 There is nothing derogatory in a statement like that,
23 is there?

24 A. Every organization has its executive,
25 granted.

26 Q. Is this statement here made in a
27 derogatory manner or is it made in the way in which I
28 have just interpreted it?

29 A. I got my information from my close
30 relationship with the situation and it gave me a little



1 bit of concern.

2 Q. Do you not -- well, I will not argue
3 with you because if you have not been convinced after
4 all the sittings you have had to go through here, then
5 I will despair. You state at page 29 that the
6 formation of the corporation has seriously curtailed
7 the effectiveness of the minister's control over the
8 cost of pilotage services and, secondly, over the
9 discipline of the pilots. I must say that I remember
10 having read exactly the same words and the same
11 sentences in your brief in 1960, I think, to the
12 Pilotage Authority. If you repeat this affirmation
13 then you certainly must have good ground for it. In
14 what way has the creation of the corporations curtailed
15 the effectiveness of the minister in the control over
16 the discipline of the pilots?

17 A. The next witness who will testify will
18 be the man who is the Chairman of the Pilotage Committee.
19 He may be able to give you a good clear interpretation
20 of what was meant there.

21 Q. On page 30 there is an assertion
22 about strike funds. This again is hypothesis.

23 THE CHAIRMAN: I do not have the number of
24 the exhibit, but the document in regard to pilots on
25 strike in the pilotage district of Montreal as of
26 February 14th 1963 shows at the end "Grade C Temporary
27 Pilots", and you have fifteen names, aged twenty-eight
28 to thirty-three.

29 MR. JACQUES: And five for Quebec, My Lord.
30



1 (English)

2 THE CHAIRMAN: Under the same caption?

3 MR. JACQUES: We have one list, My Lord,
4 which gives us five temporary Grade C pilots for Quebec.
5 This is a list which was originally issued by the
6 Department of Transport in February 1963. Subsequently,
7 however, whilst we were sitting in Quebec we obtained a
8 list which is for 1962 which shows four in 1962.
9 Exhibit No. 646, to which I referred is for 1962 and
10 not for 1963. In 1963 there are five.

11 THE CHAIRMAN: And fifteen for Montreal?

12 MR. LALONDE: That may be the answer.

13 THE CHAIRMAN: We will adjourn now until
14 tomorrow morning at 10:00 o'clock.

15 ---ADJOURNMENT.

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ROYAL COMMISSION

ON

PILOTAGE

HEARINGS

HELD AT

MONTREAL

VOLUME No.:

103 A

DATE:

Feb. 7, 1964

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ROYAL COMMISSION ON MARINE PILOTAGE

Proceedings of the hearing held
in the Windsor Hotel, Montreal,
Quebec, on Friday, the 7th
day of February, 1964.

COMMISSION:

The Honourable Mr. Justice Bernier	-	Chairman
Mr. Robert K. Smith	-	Member
Mr. Harold A. Renwick	-	Member
Mr. Gilbert Nadeau	-	Secretary

COMMISSION COUNSEL:

Mr. Maurice Jacques

PRESENT:

Mr. L. Langlois, Q.C.	for the Canadian Merchant Service Guild
Mr. J. Brisset, Q.C.	for the Shipping Federation of Canada
Mr. Marc Lalonde	for the Federation of St. Lawrence River Pilots; Corporation of the Lower St. Lawrence Pilots; the Corporation of the Montreal Harbour Pilots, the Corporation of the Mid-St. Lawrence Pilots; the Corporation of the St. Lawrence River and Seaway Pilots; the Corporation of the Upper St. Lawrence Pilots.



INDEX TO WITNESSES

NAME

PAGE

MATHESON, James Evans

Cross-Examination by Mr. Lalonde	12778
Cross-Examination by Mr. Jacques	12798
Further Cross-examination by Mr. Langlois	12810
Further Cross-examination by Mr. Lalonde	12814
Re-Direct Examination by Mr. Brisset	12818

MEARNS, Charles T.

Direct Examination by Mr. Brisset	12820
Cross-Examination by Mr. Lalonde	12847
Cross-Examination by Mr. Langlois	12863
Cross-Examination by Mr. Lalonde	12874

COLLEY, Herbert

Direct Examination by Mr. Brisset	12879
-----------------------------------	-------

* * * * *



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INDEX TO EXHIBITS

<u>NO.</u>	<u>DESCRIPTION</u>	<u>PAGE</u>
930	List from the Chamber of Shipping of the U.K. showing constitution of the pilotage authority in a number of ports and the constitution of pilotage committees.	12783
931	List of the matters related to the activities of the Shipping Federation of Canada with regard to which circulars are issued to its members.	12824
932	The Sixtieth Annual Report of the Shipping Federation of Canada for the year ended December 31st, 1962.	12843
933	Copy of letter, dated January 26, 1959, from Captain Jones to Captain Matheson, convening a meeting of the local committee in connection with the investigation of an accident.	12878
934	Copy of minutes of meeting of Technical Committee, dated April 12, 1962.	12879
935	Copy of Chartering Annual for 1962, published by Maritime Research Inc.	12883
936	Westinform Weekly Market Service for week ended December 29th, 1962.	12884
937	Statements showing specimen disbursement accounts for vessels of various tonnages, en liasse.	12885

* * * * *



1 English

Montreal, Quebec,
Friday,
February 7th, 1964.

3 ---On commencing at 10:00 a.m.

5 JAMES EVAN MATHESON, recalled, sworn.

6 MR. LALONDE: I have no further questions,
7 My Lord.

8 THE CHAIRMAN: Mr. Langlois is more surprised
9 than the others.

10 MR. LANGLOIS: Well, I may go on then.

11 CROSS-EXAMINATION BY MR. LANGLOIS:

12 Q. Captain Matheson, at page 82 of your brief,
13 recommendation No. 1 mention is made of a non-political
14 agency. Am I right in assuming that by this you mean
15 a non-governmental agency?

16 A. Yes, that is correct.

17 Q. Now I go to page 89 of your brief, where
18 I read, starting at the bottom of page 88:

19 "A review of Hansard during
20 the last three or four years will
21 illustrate what we have stated, if
22 one notes the number of times
23 pilotage difficulties have been
24 the subject of questions to the
25 Minister of Transport in the House;
26 if departmental records are
27 consulted this Commission will be
28 amazed to find how many times
29 delegations representing the pilots
30 or the shipping industry, lake and



1 English

2 ocean alike, have descended upon
3 the Minister of Transport or his
4 Deputy Minister criss-crossing
5 each other in the corridors of
6 the buildings on Parliament Hill."

7 Captain Matheson, is it not a fact that this
8 statement contradicts the view taken in the brief to
9 the effect that too much power was being exercised or
10 exerted against the party in charge of politics by the
11 pilotage organization, and does it not show rather that
12 the lobbying has been carried on by both the ship owners
13 and the pilots?

14 A. Yes, I think it would be fair to say that
15 we had to do a little bit of lobbying ourselves in that
16 connection.

17 Q. May I go to recommendation No. 3 on page
18 89, where mention is made of a "pre-set annual
19 remuneration"? Would you mind telling us what you
20 mean exactly by the "pre-set annual remuneration for
21 pilots"?

22 MR. BRISSET: My Lord, if I may interrupt, we
23 will have a witness who will testify on these
24 recommendations. At the beginning of the evidence of
25 Captain Matheson I indicated that his evidence would be
26 restricted to what I might call technical aspects and
27 not really administrative ones, and unless he feels that
28 he wants to answer I would like this question to be
29 reserved for a subsequent witness.

30 MR. LANGLOIS: That is all right. Does that



1 English

2 apply also to recommendation No. 4, Mr. Brisset?

3 MR. BRISSET: Yes.

4 MR. LANGLOIS: Q. I now come to recommendation
5 No. 5, where mention is made that the shipping industry
6 should take part in the selection of its servants. Are
7 stevedores not also the servants of the shipping
8 industry?

9 A. In a sense I would say so, yes.

10 Q. Has the shipping industry any right to
11 select its stevedores?

12 A. Well, as I explained this, Mr. Langlois,
13 in previous testimony, some of our members are also
14 in the stevedoring business and they hire their longshore-
15 men; so to that extent we do participate.

16 Q. I am speaking of the ship owners, not
17 the agents or the stevedore agencies forming part of the
18 membership of your organization. My question is,
19 are the ship owners as such given the opportunity to
20 have anything to say in the selection of the stevedores
21 they employ?

22 A. Not directly, I would not say, but of
23 course this is a different category of employees altogether.
24 You understand that, Mr. Langlois?

25 Q. I understand that all right, but I ask
26 this question in the light of the general submission
27 made that there was no other example in the industry
28 where you had no selection as to your servants. It was
29 a pretty broad statement, you would agree to that? Is
30 that not a fact?



1 English

2 Let me put the question this way. Is it not
3 a fact that under your stevedoring contract even when
4 you order a full gang and you have not got members of
5 the union to fill the gang and you have to pick up from
6 the wharves or elsewhere stevedores to complete the
7 gang, you will have under your contract to knock off
8 those non-union members that you have so taken if at
9 any time during the day a member of the union presents
10 himself and offers himself to work?

11 A. Yes; there is preference of employment
12 for union members definitely.

13 Q. You would agree with me that that is far
14 from having the right to select your own servants in
15 this case, will you not?

16 COMMISSIONER SMITH: Excuse me, Mr. Langlois.

17 MR. LANGLOIS: Yes.

18 COMMISSIONER SMITH: In connection with the
19 statement that in Great Britain the Board of Trade and
20 in various States of the United States the Chamber of
21 Commerce plays an important role in selecting the
22 pilotage material and setting standards of competency,
23 correct me if I am wrong, but it is my understanding
24 that in England, in the United Kingdom, certain districts
25 are under the, I think, Trinity House and other districts
26 under that, and they do not come under any supervision or over-
27 sight of any kind by the Boards of Trades or Chambers
28 of Commerce or any other public bodies. And in the
29 United States -- correct me if I am wrong in this -- it is
30 only a few of the States in the state pilotage operations



1 English

2 that have that method of supervision or control or over-
3 sight; is that correct?

4 THE WITNESS: Frankly, I am not familiar with
5 state pilotage procedure, Mr. Smith.

6 COMMISSIONER SMITH: What about the U.K.?

7 THE WITNESS: Well, in the U.K., as I mentioned
8 yesterday, at Glasgow they have got the Clyde Trust.
9 That is composed of members including ship owners and
10 railway officials and to that extent that body has got
11 a say in the selection of the employees, not only the
12 pilots but all other employees that come under the Clyde
13 Trust, such as lighthouses, etcetra.

14 COMMISSIONER SMITH: That is a question, Captain.
15 There are others too; but they are not all in under that
16 sort of system in the United Kingdom.

17 THE WITNESS: No. I would have to agree with
18 you.

19 COMMISSIONER SMITH: Thank you very much.

20 MR. BRISSET: If I may interrupt, My Lord, we
21 have obtained from the Chamber of Shipping a statement
22 showing the composition of the pilotage authority in a
23 great number of British ports or pilotage districts.

24 COMMISSIONER SMITH: The most important one --
25 the largest?

26 MR. BRISSET: I would say the most important one.

27 Perhaps I could file a copy of this list which
28 shows -- and I am just glancing through it very quickly
29 -- in all these cases the ship owners have representatives
30 in the body that forms the pilotage authority or the



1 English

2 Board of Trade, if it is not directly the shipping
3 interest.

4 THE CHAIRMAN: It is like our local commissions
5 here in Canada.

6 MR. BRISSET: Yes.

7 Could this be filed?

8 MR. LALONDE: Before this document is filed,
9 could I have a look at it?

10 MR. BRISSET: Sure.

11 MR. LALONDE: My Lord, the authorities in
12 England are both the Minister of Transport and Trinity
13 House, and I think that the authorities to give
14 information in that respect would be these two bodies
15 rather than the Chamber of Shipping. I have no objection
16 to the production of this document. However, I think it
17 is not the best evidence in this respect.

18 THE CHAIRMAN: So we will file the document under
19 that reservation.

20 Would you describe the document, please?

21 MR. BRISSET: The document is a list emanating
22 from the Chamber of Shipping of the United Kingdom showing
23 the constitution of the pilotage authority in a number of
24 ports as well as the constitution of their pilotage
25 committees.

26 THE SECRETARY: That will be Exhibit 930.

27

28 ---EXHIBIT NO. 930: List from the Chamber
29 of Shipping of the U.K.
30 showing constitution of
the pilotage authority
in a number of ports and
the constitution of
pilotage committees.



1 English

2 MR. LANGLOIS: Q. Now, Captain Matheson, in
3 connection again with the selection of your own servants,
4 tell the Commission as to whether or not ship owners have
5 a right to select their servants when their crews are
6 hired through mining pools; I mean, the selection of the
7 individuals for the crews.

8 A. Are you referring to the mining pools in
9 effect in Canada during the war?

10 Q. And the ones existing in the U.K. also.

11 A. Well, as far as the United Kingdom is
12 concerned, when I was sailing in the United Kingdom many
13 years ago the ship owner or his direct representative,
14 the master or the chief officer or the chief engineer,
15 definitely had the right of selection. As a matter of
16 fact it may be interesting to the Commission for me to
17 comment in this regard upon the system over in the U.K.

18 There a young fellow taking up a sea career
19 must first find a job. After he finds his job through
20 making application to a shipping company or to the
21 ships direct, then he joins his association, the National
22 Union of Seamen. But he does not necessarily have to
23 pay dues right away. After, I think it is a period of
24 three months, then he must start paying dues into this
25 union.

26 In Canada here due to the mining pool system
27 it is different in that a young man going to sea in
28 Canada must first join the union. The union selects
29 him and when he joins the union he must also pay dues
30 to the union. Then the union refers him to his job.



1 English

2 In other words in the labour agreements there
3 is provision there for preference of employment. There
4 is also provision there that crews can be obtained
5 through the National Employment Service. In practice
6 the employer has to go to the union and the union puts
7 the man in the job.

8 Q. Is it not a fact, Captain Matheson, that
9 in practice the ship owner has nothing to say as to the
10 selection of the crew or his servants?

11 A. At the present time that is my understanding.

12 Q. Do you know of the case of one ship here,
13 I give you the name of the ship -- Farendoc --
14 which was stopped for a number of days with a strike
15 on because the assistant chief cook had been fired by
16 the master and the owners of the ship without going
17 through the union? Do you remember that case?

18 A. I heard something about it. I know that
19 such an incident happened.

20 MR. BRISSET: My Lord, this is one of the evils
21 that the Norris Commission has been investigating and on
22 which very strong recommendations have been made by the
23 Commission.

24 THE CHAIRMAN: Yes, I was about to mention
25 that. That is my understanding, that the masters have
26 no say in choosing the crew.

27 MR. LANGLOIS: And the owners also. Also,
28 My Lord, this is an example tending to show the general
29 status in the brief of the Shipping Federation as to
30 the situation with regard to the selection of the servants



1 English

2 by a ship owner, but in practice it does not exist.

3 THE CHAIRMAN: I would add to that that as
4 far as the industry in the lakes is concerned it is
5 through voluntary contract. It is a labour contract
6 made communally whereby they hand over part of the
7 power that they always used to have.

8 MR. LANGLOIS: A collective agreement.

9 THE CHAIRMAN: A collective agreement. They
10 decided to collaborate. It is supposed to be a
11 voluntary agreement.

12 MR. LANGLOIS: Yes, it is supposed to be. The
13 whole of my point is that it is not voluntary.

14 Q. If I understood you correctly yesterday,
15 Captain Matheson, you stated -- and correct me if I am
16 wrong -- that four or six ship owners of shipping firms
17 do not belong to your organization here in Montreal;
18 is that correct?

19 A. That is correct.

20 MR. BRISSET: Four to six.

21 THE WITNESS: Four or six.

22 MR. LANGLOIS: Q. I misunderstood you and I
23 wanted to correct this -- from four to six?

24 A. Yes.

25 Q. Would you please tell us how many ships
26 that would represent?

27 A. That would be pretty difficult for me to
28 say, Mr. Langlois. It would be a very rough guess and
29 it would only be a guess. I think I would have to say
30 I do not know, but I will try and get the information.



1 English

2 Q. Would you be able to tell us as to whether
3 or not these ships would be ocean-going?

4 A. Oh, definitely ocean-going ships.

5 Q. All ocean-going.

6 MR. JACQUES: Excuse me for interrupting, but
7 I might suggest the names of these firms be given me
8 and then I can get in touch with the companies involved
9 and ascertain the number and the type and the class of
10 ships which they represent, and then provide this
11 information to the Commission and the parties.

12 THE WITNESS: That is satisfactory, Mr. Langlois.
13 We will certainly do this.

14 MR. LANGLOIS: Q. These ships would all be
15 ocean-going?

16 A. Ocean ships, yes.

17 Q. I am not speaking for myself and I am
18 not speaking from any personal view, but I would like
19 to know if a coastal operator could become a member of
20 your Shipping Federation?

21 A. Oh, yes.

22 Q. As a matter of fact are there any coastal
23 operators who are members of your Association?

24

25 --

26

27

--

28

29

30

--



1 English

2 A. Well, to mention one, Dosco -- Dominion
3 Steel and Coal -- they are on both services; they have
4 got some types of ships on ocean trade, but in general
5 they are on the coastal trade, as you know, between
6 Wabana, Sydney, Montreal and Three Rivers.

7 Dosco is a member of the Shipping Federation.
8 That is an illustration to answer the question.

9 Q. I noticed in your list of members that
10 there were firms which were almost exclusively in
11 stevedoring. Would they have to be connected with some
12 shipping companies besides their operations as stevedores?
13 Would they have to act as agents, or representatives,
14 of shipping companies to become members of your organ-
15 ization?

16 A. Yes.

17 Q. So a firm doing strictly stevedoring
18 operations, not being an agency for vessels, would not
19 be entitled to become a member of your Association?

20 A. That is right. They could be an
21 associate member, but not a full member of the Federation.

22 Q. What is the difference between the two?

23 A. I think this can be answered better by
24 Mr. C.T. Mearns who is going to explain the Federation.

25 Q. Now, mention has been made of this strike
26 in the spring of 1962. Is it not a fact that the effect
27 of that strike on the shipping industry was minimized to
28 quite an extent due to the very early stage of the
29 navigation season on the St. Lawrence?

30 A. By "minimized" do you mean so far as cost



1 English

2 to shipping is concerned?

3 Q. Yes; minimized in this way, that a lot
4 of the ships that came up, for example, as far as Quebec,
5 had to wait there because of hazardous conditions before
6 proceeding to Montreal, and would have had to wait in
7 any event due to hazardous conditions?

8 A. I think in some cases that would be
9 correct to say that.

10 Q. Now, you mentioned yesterday -- correct
11 me if I am wrong -- that the reason why your doors were
12 not open to pilots always during the 1962 strike was
13 because you were too busy to receive the pilots because
14 you were anxious to get your ships moving. Is it not a
15 fact that, at the same time, your members, who were
16 affected by the strike, were quite busy trying to get
17 their coastal masters to take their ships up to Montreal?

18 A. No, I don't think that is quite true.
19 I don't know that that is quite true. But I will state,
20 in reply to your questions and for the benefit of the
21 Commission, that we had formed a Technical Committee
22 in the Federation at that time to devise ways and means
23 of assisting these ships in whatever way we could, to
24 facilitate passages up to Quebec and up to Montreal.

25 This Technical Committee had, I think, one
26 meeting, and the whole situation was considered. But
27 not to my knowledge, Mr. Langlois, was there any specific
28 action taken in that direction. There may have been
29 by individual companies outside, but certainly it
30 wasn't to my knowledge.



English

Q. If I tell you that some masters belonging to my own organizations were approached by some of the ship-owners to take some of their ships up would you think that this would be possible?

A. If you say that I would certainly accept your word, Mr. Langlois.

Q. This Technical Committee that you have just mentioned -- is it not a fact that Captain D.R. Jones and Captain Gendron of the Department of Transport were working very closely with the members of that Committee, if they were not members thereof?

A. They certainly were not members of the Committee, and I don't recall that. But I don't think there was any Department of Transport official at the meeting that I was referring to, Mr. Langlois. I am very sure that there were no officials there.

Q. Was there not consideration given by the Committee and representatives of the Department of Transport to the possibility of even organizing convoys with ice-breakers to take the ships up to Montreal during the strike?

A. I don't think there was an official request. I am going from memory now, but I don't think there was an official request to that effect made to the Department of Transport. But this aspect was definitely considered and discussed at this Technical Committee level. But whether there was action taken in that regard, I don't know -- I can't recall -- whether there were representations made to the Department of



1 English

2 Transport along those lines.

3 Q. Were minutes kept of the meeting of that
4 Technical Committee?

5 A. Yes; we keep minutes of all our meetings,
6 Mr. Langlois.

7 Q. Would you have any objection to filing
8 these minutes?

9 A. Well, I will have to leave that to
10 the Commission's lawyer -- if he feels that this should
11 be done; I personally wouldn't object.

12 Q. You would not object?

13 A. I personally wouldn't, but I think this
14 is a matter of policy, and maybe our counsel will have
15 something to say about this.

16 MR. BRISSET: May I be permitted to see
17 these minutes beforehand?

18 THE CHAIRMAN: Yes.

19 MR. LANGLOIS: This request by my friend
20 is quite unusual in law.

21 MR. LALONDE: He will certainly look at
22 them before they are filed.

23 MR. LANGLOIS: I am making a formal request
24 for those minutes to be supplied.

25 THE WITNESS: I believe you can get them
26 there (indicating).

27 THE CHAIRMAN: You may wait until after
28 the adjournment.

29 THE WITNESS: I think we have got them
30 here.



1 English

2 MR. LANGLOIS: Could we give them a number
3 now, My Lord?

4 THE CHAIRMAN: We will wait to see if there
5 are objections.

6 MR. LANGLOIS: Well, I presume that my
7 formal request for the production of these minutes has
8 been duly noted.

9 Q. Now, Captain Matheson, in your experience
10 as a seaman do you think it would have been safe to have
11 organized convoys at Quebec and Montreal with an ice-
12 breaker escorting some 15 or 20 ships up the river?
13 And would you not agree with me that this would have
14 been tantamount to running the risk of probably a major
15 accident that could have blocked this important trade
16 avenue between Quebec and Montreal?

17 A. No, I wouldn't agree with that, providing
18 there was proper control. There would be delays in
19 getting ships up. We wouldn't move them, for instance,
20 at night; or if there were unfavourable conditions we
21 wouldn't move them. But I don't think that there would
22 be any danger to the ships themselves.

23 The situation would have been handled in a
24 responsible manner. In other words, both by the
25 masters and by those controlling the situation.

26 Q. Do you think that one single ice-breaker
27 could take care, in a very narrow channel, of some 15
28 or 20 ships?

29 A. These are matters which we were
30 discussing and considering at the time of the difficult



1 English

2 decision we were faced with; and this was a very
3 responsible Committee. We would have done nothing
4 without the full accord of the Department of Transport and
5 the Government where there are also very responsible
6 officials.

7 With ordinary care and the practice of a
8 seaman I believe something along these lines could have
9 been done, but with great delay to the commerce of the
10 country, of course.

11 Q. Having given consideration to this
12 possibility of escorting ships up the river, would you
13 mind telling us why this idea was not carried out?

14 A. The pilots went back to work.

15 Q. I beg your pardon?

16 A. The pilots went back to work.

17 Q. Before you finally made up your mind?

18 A. Before we got the operation...

19 MR. BRISSET: When they learned about this,
20 I suppose.

21 MR. LANGLOIS: Q. If I tell you that
22 the reason why you probably changed your mind en route
23 was the accident which happened to the "ESKIMO" when
24 she grounded ten miles below Long Point...

25 A. No, that didn't have any effect. But
26 I will say also that there is control of shipping in the
27 winter time by the Department of Transport even with
28 pilots on board.

29 Q. Is it not a fact that the "ESKIMO" is
30 a Class 1 ship of highest navigation and that at the



English

1
2 time she had the accident she had two C.S.L. pilots on
3 board?

4 A. I am not familiar with who was on board.
5 I know she got into difficulties. I don't know who
6 was on board.

7 Q. You don't know that she had two C.S.L.
8 pilots on board? --

9 MR. BRISSET: I believe you have to accept
10 Mr. Langlois' word that they had two pilots on board
11 and as to where they grounded...

12 THE WITNESS: I am not denying it; but I
13 am not familiar with the circumstances.

14 MR. LALONDE: Q. Is it not a fact that
15 during the same period you had one of the C.P. Empresses
16 -- I don't know which one it was -- and even although
17 the master was provided with two pilots -- and non-
18 licensed pilots -- he refused to come up to Montreal
19 during the same period?

20 A. You must remember that at the particular
21 time, Mr. Langlois, that was quite possible. There
22 were no buoys down, there was considerable ice on the
23 river, and I don't think we can blame the master of a
24 large passenger ship for not taking his ship down with
25 other than qualified pilots.

26 Q. Is it not a fact -- and rightly so --
27 that the Shipping Federation and the ship-owners were
28 doing their very best to break the stoppage of work?

29 A. Well, I don't know if that is the right
30 way to put it. We were certainly doing our very best



1 English

2 to protect our own interests.

3 Q. To defeat the purpose of the stoppage
4 of work?

5 A. I would only go so far as to say that
6 we were doing our best to protect our own interest and
7 to give whatever aid and comfort we could to these
8 masters that were coming up and approaching a situation
9 which was most difficult on account of weather, the
10 ice and no buoys in the river. So that was our main
11 concern at that time.

12 Q. So am I correct to take your last
13 remarks as the probable justification for the telegram
14 of the pilots warning masters there were no buoys and
15 no aids to navigation available in the river?

16 A. Mr. Langlois, in my opinion there was
17 absolutely no justification for that telegram. If
18 the pilots were so concerned, as I said yesterday, they
19 could have gone and assisted these ships and directed
20 them where they could go to anchor, in consultation with
21 the proper authorities; or they could have gone to the
22 Department of Transport, or suggested that the Department
23 of Transport take some action along these lines.
24 But I don't think it was right for the Federation of
25 St. Lawrence River Pilots to send such a message to
26 ships -- to assume authority without responsibility.
27 It was the Department of Transport who had the re-
28 sponsibility once these men refused to act on our ships.
29 Q. Speaking of co-operation with the
30 shipping authority-- with the Department of Transport



1 English

2 authority -- would it be possible to say that the same
3 co-operation which was extended by the Department of
4 Transport to the shipping industry, with a view to
5 settling the strike, was extended to the pilots?

6 A. On the part of the Department of
7 Transport?

8 Q. Yes?

9 A. I think the Department of Transport
10 were very anxious to get the situation settled.

11 Q. Were they extending, to your knowledge,
12 the same co-operation to the pilots as they were
13 extending to the shipping industry?

14 A. I don't know what co-operation they
15 extended to us.

16 Q. Now, Captain, looking back at the events,
17 is it not fair to state that if the same efforts, which
18 were made in order to defeat the stoppage of work, had
19 been done in order to settle the strike the strike
20 would not have lasted as long as it did?

21 A. It is very difficult for me to answer
22 that question, Mr. Langlois. You must remember this
23 was a difficult time. We got no specific assistance
24 from the Department of Transport.

25 I know that the Department were trying to get
26 it resolved with the pilots, but we got no specific
27 assistance from the Department, sort of breaking the
28 strike, as you have put it.

29 Q. Even although you had some of their
30 officers giving you advice on your so-called Technical



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Matheson cr-ex.
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12797

1 English

2 Committee?

3 A. Well, I didn't acknowledge that. I
4 just don't recall that. It may have been the case,
5 but I certainly do not recall that the Department sat
6 in with us to resolve the difficult position we found
7 ourselves in. I don't recall it.

8

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(English)

1 MR. LANGLOIS: My Lord, I did have a few
2 questions to ask the witness on recommendation No. 12
3 and recommendation No. 13 in particular, but since Mr.
4 Brisset made the statement the day before yesterday
5 that the list of accidents which appears on pages 107,
6 108 and 109 is not, in a way, proof of the statement
7 made on page 106 to the effect that the accidents were
8 "strictly attributable to human failing on the part of
9 the pilots" - and I would ask the Commission to take
10 note of the remark made by my learned friend and to
11 consider that the statement was perhaps a little too
12 proud - I take it from what Mr. Brisset said that
13 probably the witness would not have the information as
14 to the causes of these accidents listed on pages 107,
15 108 and 109, and for this reason I will forego these
16 questions that I intended to ask.

17 MR. BRISSET: My Lord, the records in
18 Ottawa will also show in what cases of those listed on
19 these pages the pilot was disciplined or suspended or
20 had his licence suspended indefinitely. I think it is
21 already on file here in the limited information that
22 we are given in these casualty statistics.

23
24 CROSS-EXAMINATION BY MR. JACQUES:

25
26 Q. Captain Matheson, did you attend every
27 session of this Pilotage Advisory Committee?

28 A. No, not every meeting.

29 Q. But were you the representative of the
30 Federation on that committee?



1 (English)

2 do. Then we also recommended the local committees.

3 When the Department of Transport was
4 reorganized (in 1957 I believe) - that is the time when
5 Mr. Cumyn was created Director of Marine Regulations -
6 they put into effect these local committees. However,
7 they did not give effect to the top level advisory
8 committee that we had recommended. Instead, they put
9 into effect what I understand was an interdepartmental
10 committee.

11 Q. In order that we may understand each
12 other, I will show you Exhibit 909 and particularly the
13 last page of that exhibit which contains terms of
14 reference. Are these terms of reference for the local
15 committee, for the interdepartmental committee or for
16 the departmental advisory committee? To which do they
17 apply? You may refer to the letter written in August
18 1958 by Mr. Jones or Mr. Slocum.

19 A. This is a local committee.

20 Q. Would this local committee here in
21 Montreal or in Quebec ever make any recommendations
22 concerning the amendments to the by-laws which might be
23 deemed desirable?

24 A. The amendments to the by-laws were
25 discussed at these local committee levels. No doubt
26 recommendations were made.

27 Q. The second term of the terms of
28 reference is:

29 "To make recommendations with respect
30 to policy and procedure in recruitment



1 (English)

2 of pilots."

3 I think you have given evidence on that. The third
4 is:

5 "To act as the examining board for
6 entrance to the pilotage service,
7 whether as apprentices or as pilots,
8 and as to the system of recruitment."

9 That was never brought into force?

10 A. No.

11 Q. Then the fourth:

12 "To make recommendations for training
13 and procedures for apprentices and
14 pilots."

15 That you dealt with.

16 A. Yes.

17 Q. The next is:

18 "To act as a board of inquiry in the
19 case of misconduct on the part of
20 pilots, into the actions of a pilot
21 who has been involved in a casualty,
22 in the case of noncompliance of
23 by-laws by a pilot; and to make
24 recommendations concerning such
25 disciplinary action as may be deemed
26 suitable."

27 The committee dealt with that?

28 A. Yes, sir. As a matter of fact, as I
29 said in previous testimony, the committee developed into
30 a purely disciplinary committee.



1 (English)

2 Q. Will you explain in detail the
3 procedures that were followed - how were they convened
4 and how were you made aware of the alleged negligence
5 or misconduct.

6 A. The meetings were convened by the
7 chairman, who was the Superintendent of Pilots in
8 Ottawa. In the case of consideration of a casualty,
9 the committee was given information regarding the
10 preliminary inquiry, as I recall it, and in one
11 particular case in regard to the history of the pilot,
12 his record. With this information ---

13 Q. One moment, please. You said you
14 were supplied with information based on the preliminary
15 inquiry. Were you supplied with the report prepared
16 by the pilot if it were a casualty - the pink sheet?
17 You are familiar with the report prepared by the pilot?

18 A. Yes. I am not sure but I believe so.
19 In any event, the pilot was brought before this
20 committee.

21 Q. If there had been an inquiry held or
22 an investigation by an officer of the Department, were
23 you supplied with a transcript of the notes taken at
24 this investigation?

25 A. Yes.

26 Q. If two or more pilots were involved in
27 a collision, say, were you also supplied with the
28 transcript of the notes of both the investigations into
29 each ship?

30 A. I believe so.



1 (English)

2 Q. So you had all the documents
3 applicable?

4 A. Yes.

5 Q. Applicable to whatever was the case
6 under review?

7 A. That is my recollection. We had
8 considerable information before us and it is my
9 recollection this was from the preliminary inquiries
10 that were made in each case and the reports of the
11 pilots.

12 Q. Did you call the pilot before the
13 committee?

14 A. Yes.

15 Q. How did you proceed when he was
16 called?

17 A. The pilot was asked to describe how
18 the incident occurred.

19 Q. Was he placed under oath?

20 A. I do not believe so.

21 MR. LANGLOIS: Yes, he was.

22 THE WITNESS: Was he? I just forget. Oh
23 yes, of course he was, I am sorry.

24 Q. He was examined by the members?

25 A. Yes.

26 Q. And he was accompanied by a solicitor?

27 A. Yes.

28 Q. What role did he play in that case?

29 Was the solicitor allowed to ask questions of his
30 client?



1 (English)

2 A. Yes.

3 Q. Was the solicitor allowed to look into
4 your record or file? Did he have access to the
5 documents which you had?

6 A. I believe so.

7 Q. Will you continue with the procedure.
8 You have the pilot before you and he has been sworn and
9 he has been asked questions. Then what happened?

10 A. Then there was a general discussion
11 with the committee and the matter was decided upon and,
12 as far as I can recollect, these decisions were always
13 unanimous.

14 Q. They were forwarded to Ottawa?

15 A. They were forwarded to Ottawa.

16 THE CHAIRMAN: In other words, if I may sum
17 up, it was a standing board of inquiry.

18 MR. LANGLOIS: You can call it that.

19 MR. JACQUES: Yes, it could be called a
20 standing board of inquiry, like a courtmartial appeal
21 board as it existed some years ago.

22 THE CHAIRMAN: And as it existed through the
23 war for motor vehicle accidents; it was standing.

24 Q. Did you make any practice of looking,
25 or did you look, into the past history of a pilot if
26 he was involved in a collision?

27 A. Oh yes. As a matter of fact, to
28 develop this further, in one particular case as far as
29 I was concerned the history of the pilot had a bearing
30 on the recommendation that I supported or put forward



1 (English)

2 in my discussions with the committee.

3 Q. In that particular case was the pilot
4 told that his past history would have a bearing on the
5 recommendations of the committee?

6 A. I cannot just recollect, but probably
7 not.

8 Q. Was he told, for instance if it was a
9 case of a pilot being under the influence of liquor,
10 "Look, this is the tenth time this has happened to you.
11 Please explain that"?

12 A. In questioning the pilot definitely
13 that was gone into by the committee with the pilot.

14 Q. Are you satisfied that in this
15 committee the pilot was really aware of all the facts
16 alleged against him, even past history?

17 A. Undoubtedly, yes.

18 Q. Was he allowed to explain past history?

19 A. No, I do not think we went into that
20 degree of procedure.

21 Q. Was he offered the privilege of call-
22 ing witnesses before the committee?

23 A. I think so, yes.

24 Q. Did any pilot ever avail himself of
25 that privilege - or that right, I should say?

26 A. The pilot took his counsel with him
27 and the counsel attended the meetings with him. In
28 other words, the pilot was given every opportunity to
29 explain and justify himself.

30 Q. Do you know why this committee ceased



1 (English)

2 to function to all practical intents and purposes?

3 A. I do not know if I can answer that
4 question specifically but I can tell the Commission that
5 it was disheartening to this committee to find that
6 recommendations that were made in many cases were not
7 followed through, and it was more disheartening to the
8 committee - or to myself particularly, the shipping
9 representative on the committee - that we could not get
10 any reports from the Department on what was happening
11 after rendering our recommendations. After rendering
12 our recommendations we could not get anything from the
13 Department as to the ultimate decision of the
14 Department.

15 THE CHAIRMAN: In other words, it died of
16 frustration.

17 THE WITNESS: Exactly, My Lord.

18 THE CHAIRMAN: While we are on this subject
19 I would like to know something else. How was the
20 committee convened for special hearings? Who was the
21 convening authority?

22 THE WITNESS: Captain D.R. Jones, the
23 Superintendent of Pilots in Ottawa, convened the
24 meetings. Subsequently, one or two of the last
25 meetings were convened by Captain Gendron, the Regional
26 Superintendent. I think it was the original
27 intention that the local superintendent would head up
28 or chair and convene these committee meetings, but in
29 Montreal the superintendent was not a technical man so
30 they were convened by Captain Jones from Ottawa.



1 (English)

2 However, when Captain Gendron was appointed Regional
3 Superintendent he convened the meetings and chaired
4 them.

5 THE CHAIRMAN: Was it convened by a written
6 order or verbally?

7 THE WITNESS: I think we received written
8 advice. The preliminary arrangements would probably
9 be made by telephone to find out if it was convenient
10 for the pilots's representative and convenient for the
11 shipping representative, and then as far as I can
12 recollect, My Lord, there was a notice sent out that
13 the meeting would be held.

14 THE CHAIRMAN: Would you have a few examples
15 of those convening orders?

16 THE WITNESS: If it was the case that they
17 were sent out, we must have them in our file - and that
18 is my recollection.

19 THE CHAIRMAN: I would appreciate it if you
20 could look through your files and find a few examples
21 of that.

22 MR. LANGLOIS: If this would held the
23 Commission, unless I am grossly mistaken the last cases
24 on which the committee sat were the accidents to the
25 "John E.F. Misener" and the "Steven", and probably the
26 convening orders could be found.

27

28

29

30



1 English

2 A. And the previous one was Sumema and
3 Argyle.

4 THE CHAIRMAN: Then it was always the same
5 committee that was being convened as a standing committee?

6 THE WITNESS: Well, if it pertained to the
7 Montreal district, then it was the Montreal pilots and
8 if it pertained to the Quebec district, then it was the
9 Quebec pilots.

10 I attended both at Montreal and at Quebec in
11 regard to shipping.

12 THE CHAIRMAN: I understand that one day no
13 further convocations were received from Ottawa.

14 THE WITNESS: I beg your pardon, sir?

15 THE CHAIRMAN: You were not convened any more
16 after a while.

17 THE WITNESS: That is right.

18 THE CHAIRMAN: The initiative of not convening
19 you came from Ottawa?

20 THE WITNESS: It came definitely from Ottawa
21 and I believe it was on account of legal complications
22 in Ottawa; but that is only hearsay, My Lord.

23 THE CHAIRMAN: I see, but it did not come
24 from the members of the committee because they felt that
25 they were dissatisfied?

26 THE WITNESS: No, definitely not. As far
27 as the shipping interest is concerned and the pilots
28 themselves the recommendations of the committees were
29 carried out, and we had received reports. I think it
30 was felt this was a step in the right direction because



1 English

2 the Department was reluctant in any event to exercise
3 its disciplinary powers under the Canada Shipping Act,
4 and this was frustrating to the shipping industry and
5 also to the pilots who felt that discipline should be
6 exerted in certain instances.

7 MR. JACQUES: Q. Were you ever given any
8 indication under what section of the Canada Shipping
9 Act or any other law your powers were derived?

10 A. No. To my knowledge there were no powers
11 under the Canada Shipping Act for such a committee, as
12 far as I know -- how the committee derived its powers,
13 if any it had. You recall that this committee only
14 recommended. The power was in the hands of the pilotage
15 authority.

16 Q. Were you ever given indication where
17 the power to swear any witnesses derived from?

18 THE CHAIRMAN: That is why I requested that
19 some company orders be shown, because all these powers
20 should be shown in the company order, otherwise there
21 are none.

22 THE WITNESS: No, we were not advised that I
23 can recollect. I do not recollect any advice in that
24 connection.

25 MR. JACQUES: Q. These questions were never
26 discussed by the members of the committee?

27 A. Where the committee got its power to swear
28 in witnesses?

29 Q. Yes, and to proceed as it did.

30 A. No, I cannot recall.



1 English

2 Q. To call a man before them and swear him
3 and ask him questions?

4 A. I cannot recall any discussion of where
5 that power came from.

6 MR. JACQUES: Thank you, sir.

7 FURTHER CROSS-EXAMINATION BY MR. LANGLOIS:

8 Q. Just a few questions following this
9 question about the disciplinary committees. What you
10 have stated, Captain, is quite right.

11 THE CHAIRMAN: Excuse me, it was not only
12 disciplinary committees; it was the status of the Board
13 of Inquiry for all matters and one of their powers was
14 disciplinary investigation.

15 MR. LANGLOIS: Q. What you stated as to the
16 functioning of this committee was quite all right.
17 There is some additional information that might be of
18 interest to the Commission.

19 Is it not a fact, Captain, that on these
20 committees besides the representatives of the pilots
21 and the representatives of the Shipping Federation on
22 occasions the ship owners, the owner of the ship
23 involved was also allowed to sit on the Board?

24 A. Well, "sit" in the sense of an observer.

25 Q. Is it not a fact in the case of the John
26 E.F. Misener, for example, Mr. Misener himself was
27 allowed not only to sit as an observer but even to
28 participate in the deliberations of the committee as
29 to the sentence, even though when the counsel for the
30 pilot was not admitted to such a participation?



1 English

2 A. Well, I do not know if I can go as far,
3 Mr. Langlois, as to say he participated in the ultimate
4 recommendation that was made. He participated to the
5 extent that he was permitted to make comments. He made
6 comments during the meeting.

7 Q. Would you remember that in this particular
8 case even though your humble servant was not allowed
9 into the room to discuss the sentence Mr. Misener
10 assisted by Mr. Mason as counsel was allowed to stay
11 in the room?

12 A. I cannot recall that there was any
13 objection on the part of the committee not admitting
14 the counsel for the pilots in the room.

15 Q. But you recall as a fact that I was not
16 there but Mr. Misener was and Mr. Mason, do you not?

17 A. I think that is correct.

18 Q. Would you recall also, Captain, that it
19 was normal practice for either the ship owner or the
20 pilot to bring forward any witnesses they feel like
21 bringing forward?

22 A. Yes.

23 Q. Would you recall also it was normal
24 practice to admit as evidence affidavits from witnesses
25 to the accident?

26 A. There was no restriction in that case.

27 Q. There was no restriction. Is it not a
28 fact also that the person who convened these boards
29 would be Captain Jones or Captain Gendron and this
30 person was also acting as chairman of the Board?



1 English

2 A. Correct.

3 Q. Is it to your knowledge also that
4 stenographic notes of these proceedings were taken?

5 A. Yes.

6 Q. Changing the subject, would you care to
7 give us your views as to the functioning of the local
8 pilots committee formed under the by-laws in each
9 district? Do you think that they were a good set up?

10 A. Yes, I think they were. In that
11 connection I commented in previous testimony that the
12 reason that the committee deteriorated was on account
13 of its function as a disciplinary committee. I said
14 that in this connection these local committees were
15 not only formed in the St. Lawrence; they were formed
16 in Halifax and St. John.

17 The committee in Halifax is still functioning,
18 but that committee at no time carried out the terms
19 of reference as far as discipline is concerned. It
20 kept away from discipline. That committee is still
21 functioning and it is a great asset to all concerned
22 -- the shipping interests, the pilots and the National
23 Harbour Board, and everyone interested in shipping in
24 Halifax. That committee survived whereas the rest did
25 not survive.

26 Q. Has it been brought to your knowledge
27 that in Halifax for example the Department suddenly
28 ceased to deal with the local pilots committee and
29 started dealing with the pilots individually?

30 THE CHAIRMAN: I do not think you are talking



1 English

2 about the same committees.

3 MR. LANGLOIS: I am talking about the local
4 pilots committee formed under the by-laws in Halifax.

5 THE CHAIRMAN: But this is not the same
6 committee the witness is talking about.

7 MR. LANGLOIS: Q. No. I am talking about the
8 local pilots committee formed under the by-laws of the
9 district, which committee is supposed to be the only
10 medium through which the Department ---

11 A. You mean, the pilots committees?

12 Q. Yes.

13 A. What is the question, Mr. Langlois? I am
14 sorry.

15 Q. Is it to your knowledge that in Halifax
16 for example the Department officials had ceased to deal
17 with this local committee and are dealing with the
18 pilots individually instead?

19 A. I attended the hearings of this committee
20 in Halifax and evidence to that effect was given. Is
21 that what you are referring to?

22 Q. Yes. Do you think this was a good move?

23 MR. JACQUES: I am sorry, I have to interrupt.
24 In all fairness to the Department the only evidence
25 before the Commission is that as regards the offer to
26 join the Civil Service or to remain under the present
27 system they dealt directly with the pilots. There is
28 no evidence that the Department has not in other matters
29 gone through the local pilots committee to the best of
30 my recollection.



1 English

2 THE CHAIRMAN: Yes. All this was dealt with
3 in Halifax and I would say that if there is no further
4 evidence to be added to that this case is under
5 advisement now.

6 MR. LANGLOIS: I know that, My Lord. I was
7 just giving one example.

8 THE CHAIRMAN: You are assuming our finding
9 is to that effect.

10 MR. LANGLOIS: Yes. I am asking the witness
11 if in his opinion it was a good thing that these dealings
12 with the local pilots committee should cease; that is
13 all.

14 THE CHAIRMAN: That is on the subject of their
15 status?

16 MR. LANGLOIS: Yes, that is right.

17 THE WITNESS: No. I feel the Department
18 should deal through the committee.

19 MR. LANGLOIS: Thank you.

20 FURTHER CROSS-EXAMINATION BY MR. LALONDE:

21 Q. I have looked at the notes which you took
22 at the first meeting of this committee and the terms
23 of reference which are included in Exhibit 909 were
24 discussed and revised. I notice first that the idea
25 was that there should be two representatives of the
26 shipping industry on the board on the local committee
27 and the Department decided to appoint one from the
28 Dominion Marine Association and one from the Shipping
29 Federation. The Shipping Federation felt they should
30 have two representatives of their own organization?



1 English

2 A. That is correct.

3 Q. This was granted and then the Dominion
4 Marine Association said that they wanted two also and
5 separate from the Canadian ship owners. Finally what
6 was to be two representatives of the ship owners and
7 two representatives of the pilots ended up with five
8 on each side almost?

9 A. Not in practice.

10 Q. Not in practice, but as far as the right
11 to sit.

12 A. I will say further it was also agreed
13 in that event there would be the same number of pilots
14 as there would be shipping representatives at each
15 meeting.

16 Q. Yes. I am not saying that it was unfair
17 to the pilots; it is just that it had started as an
18 idea that there should be a small committee and it
19 just grew.

20 A. Exactly.

21 Q. Because at the beginning anyway everybody
22 wanted to sit on it?

23 A. That is right.

24 Q. I think there is another factor which
25 is reported in your memorandum of September 8th, 1958 as
26 part of Exhibit 908.

27 When the terms of reference were discussed I
28 noticed Mr. Geurin-Lajoie on behalf of the pilots
29 opposed items B, C, D and E of the terms of reference.
30 Finally there was an amendment made to item C to the



1 English
2 effect that the first three words in item C would have
3 to be eliminated and replaced by "to make recommendations
4 as to the composition of", so that it would read:

5 "To make recommendations as
6 to the composition of the examining
7 board for entrants to the pilotage
8 service",
9 and all that.

10 In fact what the pilots were objecting to
11 were the powers of the disciplinary committee to
12 decide upon the training and discipline. Finally the
13 pilots withdrew their objections, but then it was the
14 Shipping Federation who objected to item F, asking that
15 it should be held in abeyance to inquire and make
16 recommendations concerning any representations towards
17 changes in the pilotage tariff. There again the
18 Shipping Federation was overruled by the other two
19 parties, so finally the terms of reference were pretty
20 well accepted.

21 Q. Is it not a fact then that right from
22 the start there did not seem to be too much enthusiasm
23 about the terms of reference as they were set up as is
24 reported in your memorandum?

25 A. I think the way it would be described,
26 Mr. Lalonde, is that the parties were approaching these
27 things or discussing them with caution.

28 Q. You have tabled yesterday the list of
29 participation in your general meetings produced under
30 Exhibit 928. I see that it contains a large number of



1 English

2 general meetings. Then you have "number in attendance"
3 at the side of each meeting. Are you in a position to
4 state whether this represents votes or number of
5 persons physically present, or number of members --
6 member firms -- number of firms present? Or is Mr.
7 Mearns more in a position to answer that?

8 A. I did not participate in making up these
9 lists, but I understand it is member companies.

10 Q. That would be so many firms attending?
11 Or is Mr. Mearns more in a position to answer that?

12 A. Yes. He will be on the stand after I
13 have finished.

14 Q. I will leave that in abeyance if Mr.
15 Mearns wants to take note of that.

16 There has also been produced the tariff of
17 Federation dues for 1963. I note that for various
18 reasons there seems to have been a necessity to
19 increase the dues for at least this year. Was there
20 any strong objection about this increasing cost of
21 the Shipping Federation during 1963?

22 A. I will leave that question up to Mr.
23 Mearns. He is coming to the stand in a minute.

24 MR. LALONDE: Thank you.

25

26 --

27

28 --

29

30 --



1 English

2 RE-DIRECT EXAMINATION BY MR. BRISSET:

3 Q. Captain, in the course of your evidence
4 this morning, in answer to my learned friend, Mr.
5 Jacques, you stated that your recommendation of a top
6 advisory committee was to relieve the Minister of
7 political pressure. In the light of that statement
8 should I understand that the composition of that
9 top advisory committee was to be of other people other
10 than government officials -- independent ---

11 A. Well, yes; other people including very
12 senior officers of the Department of Transport -- at
13 deputy minister level.

14 Q. And outside persons?

15 A. And outside persons.

16 Q. Captain, during the course of your cross-
17 examination yesterday it was suggested to you that the
18 pilots did not have the choice of their employers. In
19 this regard will you tell me whether, when the special
20 pilots system was in force, that pilots were at liberty
21 to choose the companies for which they would serve
22 as special pilots?

23 A. Oh, yes. It was optional to the pilots
24 whether they served a particular company or not.

25 Q. And who made representations and brought
26 pressure to bear in order to abolish the special pilot
27 system? Was it the shipping industry, or the pilots?

28 A. In the Montreal district that I was
29 referring to ---

30 Q. I am saying not only in Montreal but also



1 English

2 Quebec. Who was against the special pilot system?

3 Was it the shipping industry, or was it the pilots?

4 A. Oh, the pilots. So far as our Montreal
5 district was concerned we agreed on account of internal
6 difficulties that the system created.

7 Q. It was not the shipping industry who asked
8 that the special pilots be abolished?

9 A. No.

10 MR. BRISSET: That is all.

11 COMMISSIONER SMITH: I have one question -- a
12 short one -- to ask the witness. It has to do, Captain,
13 with the North Atlantic Shipping Conferences. I note
14 from your evidence, or the evidence given by some other
15 witness, that the Shipping Federation of Canada has
16 nothing to do with that organization either directly or
17 indirectly?

18 THE WITNESS: No. You mean the freight
19 conference?

20 COMMISSIONER SMITH: Yes.

21 THE WITNESS: No, absolutely nothing.

22 COMMISSIONER SMITH: That is as I understand it;
23 but I am leading up to this question: The Conference
24 was supposed to meet in Montreal last September to air
25 out certain matters of rates and other elements of the
26 Conference which were held pretty secret in the past;
27 and the idea was that it was in the public interest to
28 have a public hearing and investigation and air these
29 things and have them discussed out in the open.

30 I have never seen any result of that



1 English

2 Conference, and I was wondering if you had any knowledge
3 of what happened at that meeting in September 1963, in
4 Montreal.

5 THE WITNESS: No, I have no information or
6 knowledge.

7 COMMISSIONER SMITH: Thank you.

8 THE CHAIRMAN: We will now adjourn for ten
9 minutes.

10 ---A short recess.

11

12 MR. BRISSET: Mr. Mearns, will you go into
13 the box, please.

14

CHARLES T. MEARNS, sworn

15

DIRECT-EXAMINATION BY MR. BRISSET:

16

17 Q. Mr. Mearns, you are the general manager
18 of the Shipping Federation of Canada?

19 A. I am.

20 Q. When were you so appointed?

21 A. I became general manager on January 1st,
22 1958.

23 Q. And how long before that had you been
24 in the service of the Shipping Federation of Canada?

25 A. Well, I have been there for many years.
26 I became secretary of the Federation in 1946 and then
27 assistant general manager in 1956, and general manager
28 in 1958.

29 Q. There were some questions asked yesterday
30 in connection with the Shipping Federation of Canada



1 English

2 which Captain Matheson could not answer, and I would like
3 to go over these.

4 One of them was whether there were any
5 associate members in the Shipping Federation?

6 A. No, there are not.

7 Q. Although the by-laws do provide for the
8 possibility of associate members in the Shipping
9 Federation?

10 A. That is true.

11 Q. Witness, Captain Matheson was asked if
12 the stevedoring companies were members?

13 A. No, the stevedoring companies are not
14 members of the Federation.

15 Q. They could be, I imagine, associate
16 members if they applied for it?

17 A. Yes, if they applied for it and it was
18 agreed that there should be associate members they
19 could carry on on that basis.

20 Q. But they have not done so so far?

21 A. They have not been admitted up to this
22 point.

23 Q. Captain Matheson yesterday was also
24 asked whether there were any affiliated members in the
25 Shipping Federation.

26 A. No, there are not.

27 Q. However, I understand that the Shipping
28 Federation of Canada is affiliated to other organizations?

29 A. Oh, yes; it is affiliated to a number
30 of other organizations.



1 English

2 Q. Could you give us, for the record, a list
3 of the organizations with which the Shipping Federation
4 of Canada is associated?

5 A. The International Chamber of Shipping and
6 the International Shipping Federation Limited, both with
7 headquarters in London; then, in Canada, it is a member
8 of the Canadian Council of the International Chamber of
9 Commerce; the Canadian Maritime Law Association; the
10 Canadian Committee of Lloyds Register of Shipping; the
11 Canadian Port Committee; the Chambre de Commerce,
12 Montreal Board of Trade, and the Montreal Port Council.

13 Q. Now, without being associated to these
14 organizations, is the Federation dealing with other
15 associations concerned particularly with Canada's
16 export and import trade?

17 A. Yes; we are in touch with associations
18 such as the Canadian Exporters Association and the
19 Canadian Importers Association.

20 Q. The Canadian Manufacturers Association?

21 A. Yes, the Canadian Manufacturers
22 Association as well.

23 Q. And do you have occasion to work with
24 them on problems of interest to the export and import
25 trade of Canada.

26 A. That is true.

27 Q. Do you attend meetings of these
28 associations at times?

29 A. At times.

30 Q. Now, there is another organization which



1 English

2 came into being a few years ago, called the Inter-
3 Governmental Maritime Consultative Organization, or
4 "I.M.C.O." as it is known. Has the Federation any
5 association with this organization?

6 A. Not directly, no. We receive quite an
7 amount of literature and documents through the
8 International Labour Office and, of course, some of
9 these things have reference to I.M.C.O. as well.

10 Q. Now, do you, or at least a representative
11 or officer of your Federation, attend meetings of this
12 organization, I.M.C.O.?

13 A. No, not I.M.C.O. itself. We have had
14 representatives attend certain meetings of the
15 International Labour Office in Geneva.

16 MR. BRISSET: My Lord, it may be of interest
17 to the Commission to refer to Lloyds Calendar for 1963.
18 There is an article which summarizes the work of this
19 organization, I.M.C.O., in London. There is also an
20 article which summarizes the work done by Lloyds
21 Register of Shipping and explaining what that work
22 consists of.

23 It may be of interest to the Commission to
24 consult this publication.

25 THE CHAIRMAN: Thank you.

26 MR. BRISSET: Q. Mr. Mearns, your Federation
27 does issue, I understand, circulars to its members during
28 the year of operations?

29 A. Yes, that is true. We issue quite a large
30 number of circulars. There might be 200 in a year.



1 English

2 Q. And do these circulars have to do with
3 the activities of the Federation, as such?

4 A. Yes, that is true.

5 Q. And can I say that they are in the form
6 of reports to your members of the activities in which
7 you have been involved?

8 A. Yes, that is correct.

9 Q. You have prepared at my request a list
10 which is, I take it, not intended to be all-inclusive
11 of the matters in which you have become involved, or
12 your Federation has become involved, and which have led
13 to circulars being issued from time to time during the
14 year.

15 I would appreciate it if you would kindly
16 file this statement as Exhibit 931.

17
18 ---EXHIBIT NO. 931: List of the matters
19 related to the
20 activities of the
21 Shipping Federation
of Canada with regard
to which circulars
are issued to its
members.

22 Q. Now, Mr. Mearns, I would like to review
23 the topics listed in this document so that you may give
24 us, or may give to the Commission, an idea of the
25 scope of your activities. Have you a copy of the list
26 in front of you?

27 A. Yes, I have.

28 Q. I would like, first of all, to deal with
29 aids to navigation.

30 Will you explain, very briefly, what is the



1 English

2 scope of activities of the Federation in this regard
3 and how this matter is handled?

4 A. Well, the Federation keeps in touch with
5 the Department of Transport regarding any forms of
6 aid to navigation for shipping, particularly, I would
7 think, radio aids.

8 It also has a representative on the Radio
9 Committee of the International Chamber of Shipping. They
10 deal with a great many international aids to navigation,
11 particularly radio problems, that may arise almost
12 anywhere.

13 As you know, the membership of the International
14 Chamber of Shipping is made up of practically all the
15 maritime countries of the world.

16 Q. Now, are there at times sub-committees
17 appointed to study various questions that are related
18 to this particular topic?

19 A. We haven't had a particular sub-committee
20 to deal purely with this topic for some time, as I
21 recall. We have, of course, quite a number of sub-
22 committees, and they deal with a great many of the
23 topics that are covered here.

24 In regard to aids to navigation they would
25 probably be dealt with by, perhaps, a sub-committee of
26 the Pilotage Committee, because some information about
27 aids is coming from the pilots themselves sometimes.

28 Q. And when you issue circulars I take it
29 you report to the members or sub-committees?

30 A. Oh, yes.



1 English

2 COMMISSIONER SMITH: Mr. Mearns, does your
3 organization make a direct appeal for recommendations
4 to the Department at Ottawa for improvements in aids
5 to navigation?

6 THE WITNESS: Yes, this has been done.

7 MR. BRISSET: Q. Now, passing on to the
8 second topic, namely, the Canadian Port Committee, I
9 would like you to explain what it is and what are the
10 activities of the Federation in this regard.

11 A. Well, the Canadian Port Committee was
12 formed, I think, seven or eight years ago, with the
13 encouragement and, I think, initiation of the National
14 Harbours Board. It was formed largely, I think, to
15 promote exports and imports to Canadian ports and to
16 try and increase such traffic rather than having some
17 of it go through American ports.

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1 (English)

2 The members of the Canadian Port Committee in addition
3 to the National Harbours Board, includes the Shipping
4 Federation, the two railways, and exporters and import-
5 ers.

6 Q. Do you have a regular member of your
7 Federation appointed to sit on this port committee with
8 the others, or does the representation change from time
9 to time?

10 A. At the present time we have two named
11 representatives on the port committee.

12 Q. And these two named representatives
13 are members of the Shipping Federation?

14 A. That is correct.

15 Q. Again, reports are sent to your members
16 on the activities of this particular committee?

17 A. That is right.

18 Q. I now pass on to the third topic, the
19 cargo handling. Will you do the same as you have done
20 previously?

21 A. There is a cargo handling committee
22 under the chairmanship of the Montreal port manager,
23 Represented on that committee are the Shipping
24 Federation, the two railways, truckers - that is, you
25 know, the trucking association - and others interested
26 in any cargo handling problems that might arise in the
27 harbour. I think the committee deals largely with
28 matters affecting the handling of cargo through the
29 transit sheds or the open spaces of the wharf and would
30 deal with other things such as truck traffic, parking



1 (English)

2 permits and anything that would facilitate the handling
3 of cargo to and from the harbour.

4 Q. In other words, the purpose of this
5 committee is to expedite and make more efficient and less
6 expensive the cargo handling in our ports?

7 A. That is right.

8 Q. I assume that safety of the operation is
9 also a matter considered by this committee when some
10 problems arise in this regard?

11 A. I would say so.

12 Q. Again, reports are made to your
13 members on the activities of this particular committee?

14 A. That is right.

15 Q. I now pass on to the next item which is
16 customs regulations. Will you outline to us the
17 activities of the Federation in this regard?

18 A. The Federation deals with the customs
19 authorities regarding any changes in customs formalities
20 that would affect particularly import cargoes. As an
21 illustration, the Customs Department advised us a month
22 or two ago that they were contemplating some changes in
23 the port landed and damage certificates. A meeting was
24 arranged in Montreal with the local customs officials
25 and with the director of port operations - I think that
26 is what he is called - of the Customs Department in
27 Ottawa. These things were discussed and they are still
28 under discussion.

29 Q. Am I right in assuming that normally the
30 Customs Department will communicate with the Shipping



1 (English)

2 Federation of Canada as the proper channel when, for
3 instance, changes are to be made in the customs regula-
4 tions that will affect particularly import cargo?

5 A. That is true.

6 Q. And problems are ironed out and agree-
7 ment reached normally, I suppose?

8 A. That is correct, yes.

9 Q. I suppose you inform your members of the
10 results of negotiations with the customs people for their
11 guidance?

12 A. Of course.

13 Q. The next item has to do with federal
14 and provincial legislation. What do you do in this
15 regard?

16 A. That is quite a broad subject. The
17 Federation keeps a watching brief on any form of
18 legislation that would affect the interests of its
19 members, such as amendments to the Canada Shipping Act
20 or the Immigration Act or other acts that affect shipping
21 and trading with Canada, and certainly the provincial
22 legislation as well.

23 Q. When the occasion requires it, are
24 representations made to the various departments concerned,
25 either provincial or federal, to let the governments know
26 the reaction of the members of the Federation to a
27 proposed legislation, for instance?

28 A. That is true.

29 Q. I now pass on to the next item which is
30 fire protection. I would like you to develop this



1 (English)

2 particular subject a little more fully.

3 A. The Federation has a fire protection
4 committee and this committee holds discussions with the
5 National Harbours Board and with the City Fire Department
6 on matters regarding fire fighting protection in the
7 harbour of Montreal. As you may recall, we had one or
8 two rather bad ship fires in the harbour last year and
9 the year before, and the activities of our fire fighting
10 committee have become more intensive since that time.

11 There are further meetings and discussions scheduled
12 with the National Harbours Board and with the City
13 Fire Department to try to come up with some better fire
14 fighting protection and fire fighting equipment for the
15 harbour.

16 Q. In other words, the Federation has
17 taken it upon itself to try to coordinate the measures
18 to be taken in order to protect the harbour against
19 fire by arranging these meetings with the Montreal Fire
20 Department and the National Harbours Board?

21 A. That is right.

22 Q. And they ensure that the technical know-
23 how is there to effectively fight ships' fires?

24 A. Yes.

25 Q. I take it your members are kept in-
26 formed of developments as they occur in this particular
27 coordination arrangement?

28 A. That is correct.

29 Q. I now pass on to grain exports. What
30 are your activities in respect to grain exports?



1 (English)

2 A. As an illustration of the Federation's
3 efforts to further grain shipments, through the
4 Federation's membership in the Montreal Port Council
5 efforts to allow the shipment of more American grain
6 through the Montreal harbour were initiated last year
7 and these were successful, I would think, in that the
8 National Harbours Board allocated additional storage
9 space for American grain shipments to the Montreal
10 harbour. That is one of the interests that the
11 Federation has in furthering additional grain exports to
12 the port.

13 Q. I pass now to harbour tariffs. In
14 what way does the Shipping Federation become involved
15 in the setting up of harbour tariffs?

16 A. The Federation has negotiated with the
17 National Harbours Board in regard to various harbour
18 dues, shed rentals and other various harbour charges.
19 I would think it has had a lot of discussions and
20 negotiations from time to time, particularly in regard
21 to the shed rental question, because at Montreal many
22 of the sheds are leased to the steamship companies,
23 which is not the same practice as you may find in other
24 ports or in certain other ports.

25 Q. In other words, in Montreal the
26 shipping companies handle the cargo themselves through
27 the sheds that are rented from the National Harbours
28 Board?

29 A. That is true.

30 Q. And these leases come back for renewal



1 (English)

2 every year?

3 A. Yes.

4 Q. This is the occasion of negotiations
5 and discussions with the National Harbours Board?

6 A. That is correct.

7 Q. For the benefit of all your members?

8 A. Yes.

9 Q. I now pass to longshoremen and other
10 shore labour at Eastern Canadian ports which if I may
11 say so is one of your most important activities. I
12 would like you to tell us what the Shipping Federation
13 is called upon to do in this regard?

14 A. Again, we have a committee, our labour
15 relations committee, and the Federation negotiates
16 longshoremen and other shore labour agreements at
17 Montreal and at other ports such as Three Rivers, Quebec,
18 Halifax, Nova Scotia and St. John, New Brunswick, also
19 at Toronto and Hamilton. These agreements are
20 negotiated by the Shipping Federation and their
21 conditions and terms, particularly at ports in the
22 Province of Quebec are applicable to all ships coming
23 into the harbour of Montreal or the harbour of Quebec.

24 Q. In this regard, the Federation
25 represents, I take it, not only the shipping companies
26 themselves but also the stevedoring companies?

27 A. Yes. We consult with the stevedoring
28 companies when we start our negotiations with the various
29 shore labour unions, but it is the Federation which
30 really makes the new agreements and negotiates them.



1 (English)

2 Q. Then these agreements are distributed
3 to your members and to all concerned?

4 A. That is correct.

5 Q. Will you tell us just a word about the
6 Montreal Port Council. What is this?

7 A. This council, the Montreal Port Council,
8 was formed I think about five or six years ago and its
9 members include the City of Montreal, the Montreal
10 Citizens Committee, the Chamber of Commerce, the
11 Montreal Board of Trade and the Shipping Federation of
12 Canada as full voting members. The National Harbours
13 Board is a non-voting member. There is also quite a
14 large number of consulting members.

15 The Montreal Port Council studies and makes
16 recommendations into various matters affecting the
17 City and the port of Montreal. It has looked into
18 such things as subways, expressways and bridges, and
19 of course access to the harbour by throughways or
20 expressways. I think it generally concerns itself
21 with anything to promote trade and traffic through the
22 city and through the port of Montreal.

23 COMMISSIONER SMITH: Mr. Mearns, would you
24 consider within the functions of your Federation the
25 recommendation of improved harbour front installations,
26 for instance passenger depot accommodation? Or is
27 that outside its scope?

28 THE WITNESS: No, I would not say it would
29 be outside the Port Council's activities. They study
30 a lot of these subjects, including the World's Fair in



1 (English)

2 1967, and they make recommendations to the various
3 appropriate authorities.

4 COMMISSIONER SMITH: What I was thinking
5 about was the Federation itself. Would you consider it
6 outside your functions to make recommendations for
7 improved harbour installations?

8 THE WITNESS: No. The Federation does make
9 recommendations itself for improved harbour facilities.
10 As a member of the Port Council - on occasion the
11 Council will also make certain recommendations perhaps
12 assisting our aims in that way.

13 Q. And through the Port Council you are
14 becoming involved in activities that are perhaps to a
15 certain extent outside the limits of the harbour
16 itself?

17 A. Yes, that is true.

18 Q. Am I right in assuming that one problem
19 that may possibly have taken a good deal of attention
20 is the means of access to the harbour?

21 A. Yes.

22 Q. And ways to improve them?

23 A. Yes.

24 Q. The next item is the National Harbours
25 Board. Will you explain in what respect your
26 activities have to do with the National Harbours Board
27 as a government body?

28 A. Well, the Federation keeps in close
29 touch and close cooperation with the National Harbours
30 Board and we have meetings with the Board from time to



1 (English)

2 time to discuss such matters as new or improved
3 harbour facilities. Of course, that would include
4 transit sheds and elevator facilities, piers, heavy
5 lift cranes and quite a number of other matters or
6 facilities we feel are required for the efficient
7 handling of cargo through the port of Montreal and other
8 national harbours.

9 Q. Does that require that the Federation
10 attend regular meetings with the Board or its
11 representatives?

12 A. Yes, sometimes. Perhaps I should put
13 it this way, there is generally an annual meeting with
14 the National Harbours Board attended by the Federation
15 and they have their port managers attending from the
16 various national harbours. In addition to that, we
17 have other meetings with either the Board itself or with
18 some of its members - smaller meetings - to discuss
19 certain specific matters that have arisen.

20 Q. Has the Shipping Federation to go
21 through negotiations with the National Harbours Board
22 in the matter of setting wharfage charges, dues and other
23 such tolls?

24 A. Yes, we have had many discussions with
25 the National Harbours Board, as I think I mentioned
26 before, in regard to harbour dues, shed rentals, anchor-
27 age charges and so on.

28 Q. Generally speaking, is the scope of
29 your activity about the same in relation to the St.
30 Lawrence Seaway Authority which is the next item on your



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TORONTO, ONTARIO

Mearns, dir.ex.
(Brisset)

12836

1 (English)

2 list?

3 A. Yes, it would be very similar. We
4 have kept closely in touch with the St. Lawrence Seaway
5 Authority since even before the Seaway opened. There
6 was the matter of stabilising the tolls tariff and the
7 Federation did a great deal of work in that respect.
8 Then of course, it has kept in touch with the Seaway
9 on matters pertaining to the requirements of the Seaway
10 to allow passage of vessels. There are many require-
11 ments which have to be followed and of course our
12 members are kept abreast of any changes on those lines.

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1 English

2 Q. I will pass onto another subject, the
3 pilfering on the waterfront which, if my memory serves
4 me properly, was the subject of a good deal of
5 publicity in the newspapers some months or perhaps a
6 year ago.

7 Will you explain to the Commission what has
8 been the scope of your activities in this regard?

9 A. The Federation has been very much
10 concerned over the rising incidents of pilferage and
11 theft on the waterfront during the past few years. We
12 formed a pilferage committee to deal with this. It has
13 been investigating the pilferage and thefts on the
14 Montreal waterfront for some two or three years. It has
15 had numerous meetings with the National Harbours Board
16 and this matter is still under active discussion to try
17 and find ways and means of combating this. Further
18 discussions with the Board will be held, we hope,
19 fairly soon.

20 Q. I take it the intention is to organize
21 a protection service which it is hoped will be as
22 effective as possible?

23 A. That is true.

24 Q. I do not think I need go into the next
25 item, which is "pilotage." We will pass on to ship
26 channels in water levels. What have you to do in this
27 regard?

28 A. Again the Federation keeps in touch with
29 the Department of Transport and its Ship Channel Branch
30 regarding perhaps ship channel dredging or maintenance



1 English

2 work that might be necessary.

3 If it is is brought to our attention by one
4 of our members that there seems to be some obstruction
5 in the channel or alongside of one of the piers, we
6 advise either the Ship Channel Branch or perhaps the
7 Department of Transport in Ottawa.

8 Q. Your next item on the list is "Shipping
9 documentation". Perhaps you would explain what is
10 meant by this?

11 A. The Federation has dealt with such
12 shipping documentation as bills of lading, cargo
13 manifests and quite a number of other forms that the
14 steamship companies are required to fill out and file
15 with various government authorities or agencies.

16 Q. In other words you assist your members in
17 their complying with the regulations requiring the
18 filing of various forms with government authorities?

19 A. That is true.

20 Q. What of the next item --"tackle regulations?"
21 What does that imply?

22 A. The tackle regulations are published by
23 the Department of Transport. Occasionally there may be
24 some changes made in these regulations and of course
25 they would be passed along to all our shipping company
26 members of the Federation.

27 Q. I take it that these tackle regulations
28 have in mind the safety of the loading and unloading
29 of cargoes in harbours?

30 A. Yes, that is true.



1 English

2 Q. Do you have occasion to negotiate with
3 the government on these regulations, to express your
4 views on measures that should be taken, for instance
5 to increase the safety of the operation?

6 A. Yes. We have had either discussions or
7 correspondence with the Department in that regard.

8 Q. Do you have a committee or sub-committee
9 working on this particular item?

10 A. Not a separate committee. This will
11 probably fall within the work of our cargo handling
12 committee.

13 Q. What about towage tariffs? What is the
14 participation of the Federation in the elaboration of
15 towage tariffs?

16 A. At the various larger ports, such as
17 Montreal, Quebec, Halifax and St. John, the Federation
18 negotiates with the two boat companies at each point
19 for a tariff of tow boat rates. Also some years ago
20 the Federation negotiated with the two boats through
21 their own association regarding regulations that this
22 association has drafted in regard to the use of tow
23 boats.

24 Q. Which are known in the trade as the
25 Eastern Tug Boat Owners Association conditions?

26 A. That is right.

27 Q. These conditions have been agreed to by
28 the Shipping Federation, I understand, on behalf of its
29 members?

30 A. That is correct.



1 English

2 Q. The ships using the services?

3 A. That is right.

4 Q. Your last item on the list is entitled
5 "International Conventions". Will you explain to us
6 what are the activities of the Federation in this
7 regard?

8 A. There are many international conventions
9 affecting shipping and the Federation, as a member of
10 the International Shipping Federation Limited and the
11 International Chamber of Shipping, takes part in many
12 conferences that are called from time to time to deal
13 with these international conventions.

14 Q. Most of these conferences take place in
15 Europe, I understand?

16 A. Yes, that is true. Some have taken
17 place on this side of the water. I recall the Seattle
18 convention, which I think was in 1946. The conference
19 was held in Seattle, Washington.

20 Q. You have a representative attending these
21 conventions to express the views of the shipping industry
22 in Canada?

23 A. Yes.

24 COMMISSIONER SMITH: Are you leaving that list?

25 MR. BRISSET: Yes.

26 COMMISSIONER SMITH: There is just one question
27 I would like to ask. I think I missed it at the
28 beginning.

29 In connection with the applications and the
30 acceptance of membership into the Federation -- I am not



1 English

2 talking about Montreal; I am talking about outside ports,
3 like Halifax and St. John -- is there any limitation to
4 the number of those who may qualify to join the
5 Federation? I mean, take Halifax and St. John. Do
6 you say, "We only want two or three from there"?

7 THE WITNESS: No.

8 COMMISSIONER SMITH: There is no limitation
9 whatever?

10 THE WITNESS: There is no limitation whatever.
11 We have quite a number of members in Halifax and in
12 St. John.

13 COMMISSIONER SMITH: Yes, I notice that you
14 have here on this list. It is unlimited?

15 THE WITNESS: It is unlimited.

16 COMMISSIONER SMITH: Thank you.

17 MR. BRISSET: Q. I take it that there are
18 also other services rendered by the Shipping Federation
19 to its members, and I would perhaps like to point out
20 or have you point out to the Commission some of the
21 services.

22 Let us take for instance information as to the
23 daily rate of exchange of the U.S. dollars and the
24 British pound. What is the service that you render in
25 this connection?

26 A. Yes. The Federation secures these rates
27 of exchange every day from one of the banks at a certain
28 time, the same time each day, and this is mimeographed
29 and made available to all our members.

30 Q This is a daily service?



1 English

2 A. This is a daily service as long as the
3 banks are open.

4 Q. Does the Federation subscribe to the
5 publication Lloyd's Register of Shipping and similar
6 publications?

7 A. Yes. We subscribe to quite a large number
8 of publications dealing with shipping and marine matters.
9 Of course, we have copies of Lloyd's Register of
10 Shipping in the office, also the Euro-veritas Register
11 and the American Register.

12 Q. These publications are available to your
13 members for consultation?

14 A. Exactly.

15 Q. Do you maintain a library of books,
16 periodicals, and so forth of interest to persons engaged
17 in the shipping business?

18 A. Yes. We have quite an extensive library
19 and it is available to all our members if they desire.

20 Q. At the end of each fiscal year do you
21 issue a report to your members giving an outline of the
22 activities of the past year?

23 A. Yes. We have an annual meeting each year
24 on the third Wednesday of March. At that meeting,
25 besides presenting the financial reports and our
26 president's address, there is a printed annual report
27 tabled and then distributed to our members afterwards.

28 Q. As this may be of interest to the
29 Commission, would you be willing to file a copy of the
30 last report that has been issued, which I take it was



1 English

2 1962, since the year 1963 is not yet ready? Do you have
3 a copy with you?

4 A. Yes, I have a copy with me.

5 Q. Will you file it as Exhibit 932?

6
7 ---EXHIBIT NO. 932: The Sixtieth Annual
8 Report of the Shipping
9 Federation of Canada for
the year ended December
31st, 1962.

10 THE CHAIRMAN: Would you give it to Mr. Lalonde,
11 please?

12 MR. BRISSET: I might say, My Lord, that there
13 is a page on pilotage.

14 MR. LALONDE: Yes, but the financial statements
15 are not here.

16 MR. BRISSET: On pilotage, which simply
17 announces the appointment of the Commission and its
18 membership.

19 MR. LALONDE: My Lord, since the witness has
20 referred to it, the financial statement for that year
21 as a sample would make the document complete.

22 MR. BRISSET: I feel I must enter an objection
23 to the filing of the annual statement of the Shipping
24 Federation. The activities of the Shipping Federation,
25 as Your Lordship will have realized, are quite extensive
26 and are not only related to pilotage. It is not the
27 Shipping Federation of Canada which is under investigation
28 under the terms of reference of this Commission.

29 MR. LALONDE: I quite agree with my friend
30 that the activities of the Shipping Federation are quite



1 English

2 extensive, but, as he has expressed himself, part of it
3 is pilotage and I would even say that probably for
4 1962 a good part of it was pilotage, at least for a
5 short while. In this regard I am sure that some
6 expenses were incurred in connection with pilotage during
7 that year and it would be valuable that these statements
8 be filed.

9 I would also add the principle to which Your
10 Lordship referred, that the Shipping Federation is
11 requesting in its brief a greater part of pilotage
12 administration and as such this Commission certainly has
13 under its powers and terms of reference the right to
14 ask at least for a sample of what is done in the Shipping
15 Federation also.

16 THE CHAIRMAN: At first blush I would say
17 that it would not be within our terms of reference.
18 In any event we will discuss that -- unless you have
19 something else to add, Mr. Brisset or Mr. Lalonde?

20 MR. BRISSET: No. My objection is on principle.

21 THE CHAIRMAN: That is all right. We will
22 take that under advisement and discuss it and give you
23 our ruling later.

24 MR. BRISSET: Q. Mr. Mearns, was the Shipping
25 Federation involved in the Norris Commission during that
26 year -- 1962 to 1963?

27 A. Yes, it was.

28 Q. The Shipping Federation did appear before
29 the Norris Commission and submit a brief as well as
30 evidence?



1 English

2 A. That is correct.

3 Q. That was one of the activities of that
4 particular year?

5 A. Yes.

6 MR. LALONDE: It took about exactly a day,
7 I remember well -- or probably a morning.

8 MR. BRISSET: Mr. Lalonde at the time, if I
9 may say so, the Federation was called upon to appear
10 the first time, was not yet, I do not think, counsel
11 for the Norris Commission.

12 MR. LALONDE: I am sorry if my friend is all wet;
13 but I was not in the court the day he appeared for the
14 first time. But, My Lord, I had been working for the
15 Commission and active for several months already.

16 MR. BRISSET: Then I tender my apologies. I
17 can assure Mr. Lalonde the preparation of a brief is
18 not a single day's job.

19 THE CHAIRMAN: In any event this is just an
20 incident to show that he had some other dealings than
21 pilotage during that year. From the evidence we have
22 received so far I would quite agree with that.

23 MR. BRISSET: Q. I have only one last question,
24 Mr. Mearns, which has to do with the point raised this
25 morning in relation to Exhibit 928; namely whether the
26 figures appearing in that statement under the heading,
27 "Number in Attendance" referred to companies or
28 individual persons?

29 A. Individual persons.

30 Q. Normally at a special general meeting are



1 English

2 companies, the members of the Federation represented by
3 one or two representatives or individuals?

4 A. Usually there is one representative who
5 comes from each company, but occasionally there may be
6 more than one.

7 Q. But not more than two?

8 A. Very rarely, unless it is some matter of
9 particular interest to certain companies and they want
10 to have some of the technical men there. Generally
11 speaking there is one representative from each company
12 with the possible exception of perhaps three or four
13 companies having one or two more.

14 MR. BRISSET: We have been asked in any event,
15 My Lord, to supply a list of the names of those who
16 actually attended, so this will appear later on when
17 we have been able to complete the exhibits.

18 THE CHAIRMAN: Mr. Lalonde, do you wish to put
19 some questions to the witness?

20 MR. LALONDE: Has the direct examination been
21 concluded?

22 THE CHAIRMAN: That is correct.

23

24 --

25

--

26

27

--

28

29

30



English

CROSS-EXAMINATION BY MR. LALONDE

Q. Would you say you have approximately as many executive council meetings as general meetings?

A. It varies from year to year; but I don't think there are, as a rule, as many executive council meetings, no.

Q. Would there be a substantial difference in the number, let us say, of executive council meetings compared with general meetings?

A. Well, there are fourteen members on the executive council; so that would be the maximum...

Q. You are referring to the number of members. I am referring to the number of meetings in one year?

A. Well, there would be, I think, last year -- there were about fifteen executive meetings.

Q. You have just stated that you had fourteen members on the executive committee, and your bylaws provide for eleven members, I think, plus ex officio members?

A. Yes.

Q. Could you state who are the ex officio members? Captain Matheson was not too sure?

A. Yes; the President and the Vice-president and the immediate Past-president.

Q. But is not the President elected?

A. That is true; but the executive council is appointed and elected, and our bylaws read that



1 English

2 there should be not more than eleven members; and then they
3 say -- and if you would read bylaw, I think it is, No.
4 21...

5 Q. Yes; bylaw No. 21:

6 "...in addition to ex officio members shall
7 consist of not more than eleven re-
8 presentatives elected by members of
9 Federation."

10 A. Yes; but if you turn to bylaw 72 on page
11 28, I think it is, it states there that the President
12 shall, ex officio, be a member of the executive council,
13 and the same thing is repeated for the Vice-president
14 and the immediate past-president.

15 Q. And on this basis you had eleven other
16 members of council?

17 A. Yes.

18 Q. We have been told that your executive
19 council was elected every two years? Is that right?

20 A. No, it is elected every year.

21 Q. And the President is elected for two years,
22 or one year?

23 A. Well, he is elected each year, but it
24 has been the practice for quite a few years for the
25 President and Vice-president to serve a two-year term.

26 COMMISSIONER SMITH: Can he succeed himself
27 after two years?

28 THE WITNESS: Well, it doesn't happen, but
29 I suppose it could be done.

30 MR. LALONDE: Q. In your Exhibit 928



1 English
2 you have the number of people in attendance and the
3 number of meetings. I notice that the general meetings,
4 contrary, I think, to the executive council meetings --
5 that people are entitled to vote according to a certain
6 scale; that is, up to ten votes for a company, according
7 to the number of tons they represent; is that correct?

8 A. Under the bylaws we have a voting scale
9 based on tonnage entered in the Federation; but this
10 voting scale -- I can't recall when it was ever last
11 applied. At our general meetings if there is a
12 resolution to be passed it is done by a show of hands,
13 with a two thirds majority passing the resolution.

14 Q. That is in the executive council?

15 A. And the general meetings as well.

16 Q. And you don't apply your bylaws as to
17 the tonnage?

18 A. Well...

19 Q. Or is it because you always have a
20 two thirds majority?

21 A. Well, that has been the case. The
22 tonnage is there to be called upon if it is necessary,
23 or if it is asked for.

24 Q. Generally? Or could you say it is
25 always unanimous?

26 A. It is usually; but there are occasions
27 when some of the decisions are not quite unanimous.

28 Q. Now, out of these general meetings --
29 out of the 53 meetings in three years -- I can count
30 only eight which had a majority of members present;



1 English

2 and in those I have included one which had 26 members,
3 two with 25 and another with 27. I believe that is a
4 bare majority; and you mentioned that those would
5 represent people present?

6 A. Yes.

7 Q. This, in some instances, might imply
8 that you had two members representing the same company,
9 or the same member?

10 A. Yes; there could be more than one
11 representative from some of the companies, as I mentioned
12 before.

13 Q. When you made this calculation of the
14 people present you counted the number of people present
15 whether there was a second person representing the same
16 company, for instance?

17 A. Yes, that is true.

18 MR. JACQUES: Or whether one person
19 represented two or more companies?--

20 MR, LALONDE: Q. Do you have instances
21 where, because of your bylaws, you have a provision
22 that somebody can have proxies for some other company --
23 is that used, in practice?

24 A. That is used at almost all our annual
25 meetings because there are many of our members who are
26 out of town; they are in the Maritimes, or Toronto and
27 so on, and they will send the proxies, naming a local
28 member here to act for them.

29 Q. But for the general meetings which
30 are reported here I understand the practice is that



1 English

2 proxies are not used at all?

3 A. Very rarely.

4 Q. I notice that in Exhibit 931 you say
5 that you issue up to 200 circulars a year. Would that
6 include the daily bulletins about the rates of exchange?

7 A. No.

8 Q. Is that sent by mail also?

9 A. It is mailed to certain people, and
10 other people send a messenger over and pick it up.

11 Q. I would like to have some information
12 on how you negotiate about the longshoremen -- wages
13 and all that. How is it you don't negotiate with
14 the companies themselves? You employ longshoremen
15 who, in their turn, would negotiate with their own
16 employees?

17 A. Well, the Federation negotiates the
18 agreements on behalf of the steamship companies who
19 are the signatories to the agreement.

20 Q. Yes; but these agreements by the
21 steamship companies are made with stevedoring companies,
22 are they not?

23 A. No; the agreements are made with the
24 steamship companies and the Unions.

25 Q. The I.L.A.?

26 A. Yes.

27 Q. What is the role of the stevedoring
28 companies in that?

29 A. The stevedoring companies -- they are
30 the sub-contractors. Now, at Montreal and some other



1 English

2 ports the stevedoring companies do endorse the agreements
3 as well, but the main signatories are the steamship
4 companies. At St. John, New Brunswick, the stevedoring
5 companies do not endorse any of the agreements; it is
6 only the steamship companies.

7 Q. Do you know of any particular reason
8 why such a procedure is followed?

9 A. Because the I.L.A. refuses to allow
10 the stevedoring contractors to sign a contract.

11 Q. I beg your pardon? They usually...?

12 A. The I.L.A. at St. John has not agreed thus
13 far to having the stevedoring contractors sign a contract
14 at that port.

15 Q. I am referring to the practice in
16 Montreal. What is the reason for this?

17 A. At Montreal?

18 Q. The agreement with the Shipping
19 Federation and the I.L.A., and the stevedoring companies
20 appear to have very little to do...

21 A. The stevedoring companies are consulted
22 and any proposed changes are discussed with them; but
23 it is the ship that pays the bill in the end, and
24 therefore the steamship company is the principal and
25 the stevedoring company -- you could call them the
26 sub-contractor.

27 Q. You also say that you negotiate tow-
28 boat or tug-boat tariffs. Is there any kind of
29 tariff income discussed with the tow-boat owners?

30 A. Well, there isn't any set annual charges.



1 English

2 These tariffs are changed, or revised fromtime to time;
3 but it is not an annual affair; some time elapses with
4 the same tariff going on.

5 MR. BRISSET: I think variations occur when
6 the tow-boat companies have changes in their own
7 collective agreements with the group?

8 THE WITNESS: Yes, that is true.

9 MR. LALONDE: What about the relations
10 with the Canadian Shipowners Association. I notice
11 that you have connection, or relations, with a large
12 number of organizations in Canada.. Do you have any
13 connection; or relation with the Canadian Shipowners
14 Association?

15 A. We work closely with the Canadian Ship-
16 owners Association, yes.

17 Q. How is that work taking place -- in what
18 connection, and how?

19 A. If we have a common problem in both
20 associations and we have to decide how to deal with it
21 the Federation and the Canadian Shipowners Association
22 will get together and discuss these things and have
23 people come to meetings either here or elsewhere; and
24 some of our members are members of both associations.

25 Q. Yes, I can understand that. Do you
26 have some of your members also members of Dominion
27 Marine Association?

28 A. I don't know of any.

29 Q. Canada Steamship Lines?

30 A. I am not sure whether C.S.L. are a



1 English

2 member of Dominion Marine Association or not; they may
3 be.

4 Q. I think they are; it has been on the
5 style of their being in and out over the last few years?

6 A. That might be...

7 MR. BRISSET: But their association, or
8 their entry into the Shipping Federation, I take it, is
9 limited to their ocean tonnage?

10 A. Yes; their membership is only in
11 connection with their ocean services.

12 MR. LALONDE: Q. I see. You had
13 occasion to use the services of Captain John Fisher of
14 the Canadian Shipowners Association -- I think it is
15 "John" -- no, Colonel?

16 A. What was your question, again?

17 Q. Have you had occasion of calling upon
18 the services of Colonel Fisher who is manager, I think,
19 of the Canadian Shipowners Association?

20 A. Well, as I mentioned before we work
21 closely with the Canadian Shipowners Association, and
22 we correspond and have meetings together on any mutual
23 problems.

24 Q. Could you say that Colonel Fisher has
25 carried out both the lobbying functions for the Canadian
26 Shipowners Association and the Shipping Federation in
27 Ottawa?

28 A. I don't think I can answer that one.

29 MR. BRISSET: He is not in the pay of
30 the Shipping Federation.



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Mearns cr-ex.
(Lalonde)

12855

1 English

2 A. Oh, absolutely not.

3 THE CHAIRMAN: Are you going to change the
4 subject now, Mr. Lalonde?

5 MR. LALONDE: Yes.

6 THE CHAIRMAN: Then, we will adjourn until
7 2.30.

8

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10

11

12

13 --- Luncheon adjournment

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1 (English) - ~~THE CHAIRMAN:~~

2 THE CHAIRMAN: Gentlemen, let me state at
3 the outset that for those of you who have to travel,
4 we will adjourn at 4:30 this afternoon. However, for
5 those going to Quebec we might just as well continue
6 because apparently there is a big storm over in Quebec!
7 I was just told that.

8 We have two rulings to give with regard to
9 the objection to the production of a document this
10 morning and with regard to a request from Mr. Langlois
11 in connection with North Sidney.

12 With regard to the filing of the financial
13 report of the Canadian Shipping Federation, we uphold
14 the objection because we feel this is not within the
15 scope of our terms of reference. As I mentioned
16 yesterday, we want to know who is the Shipping
17 Federation and I think we have had much evidence on that.
18 Having revealed this morning all the various tests that
19 are undertaken by the Federation, we feel that looking
20 at one financial report will not do much to assist the
21 Commission for it would necessitate looking into many
22 years and having a full analysis of the figures if they
23 were to be meaningful. Even then, we do not know
24 exactly what purpose it would serve to the Commission.
25 We therefore feel the filing of the document is
26 unnecessary.

27 Mr. Langlois, who was representing the
28 Sidney district pilots has requested us to look into the
29 matter of the Department of Transport decision to change
30 the status and organization of the pilotage district,



1 (English)

2 and the status of the pilots to a certain extent. As
3 we have stated from the outset of our Commission, our
4 mandate is not to replace the Department of Transport
5 and we cannot dictate to them at any time what should be
6 the course of their actions. They are still in charge
7 of the administration of pilotage and there is nothing
8 we can do to interfere with that. Therefore, whatever
9 they could do during the course of our investigation,
10 there are facts which could be brought before us as
11 facts and upon which we could report later on. We
12 stated this policy inter alia at Halifax.

13 On the question of returning to North
14 Sidney for further evidence, should this be necessary
15 arrangements will be made for us to do so, but we think
16 the decision on that should be postponed until you have
17 had the opportunity of examining all the people who have
18 brought about these facts examining them in Ottawa on the
19 occasion of the Ottawa hearing, because I understand
20 this is all about changes of policy brought about by
21 the Department of Transport. They will be available
22 there. Should the pilots not be satisfied that all
23 the evidence has been brought before the Commission,
24 then we will consider the possibility of returning to
25 North Sidney for a new hearing as a full commission or
26 of sending one commissioner, as we did on one other
27 occasion.

28 MR. LANGLOIS: My Lord, if you will allow me
29 just to make one comment on this decision, I should say
30 first that I bow to your decision and that I think the



1 (English)

2 Commission's decision is a right one, but I think I
3 would be remiss in my duty as counsel for the Sidney
4 pilots if I did not point out at this stage that the
5 Department (who recommended to the government the
6 appointment of a commission to look into the present
7 administration of pilotage matters) takes upon itself to
8 make decisions which are not administrative decisions,
9 and to go as far as to make decisions on matters which
10 are sub judice before this Commission and before the
11 Commission has had the opportunity or ample opportunity
12 to render its decision on such matters. I think in
13 doing that the Department is defeating the purpose of
14 the Commission which it was instrumental in securing.

15 MR. LALONDE: So far as the other decision
16 is concerned, My Lord, of course I have no choice but
17 to accept. Nonetheless ---

18 THE CHAIRMAN: I may say that the argument
19 that was brought forward this morning in order to have
20 this document tabled was not in our opinion very
21 serious argument, so we had to think in our own terms.

22 MR. LALONDE: I would just like to point
23 out, however, that one of the points raised by the
24 Shipping Federation was the development of the pilots'
25 corporations and pilots' organization and the view that
26 too much power was given to pilots. On the other hand,
27 it would I thought have been worth while to the
28 Commission to see what the pilots have to face in terms
29 of power and particularly financial power. In fact,
30 if the view was taken that too much money went into



1 (English)

2 administration or expenses for the protection or
3 defence of the pilots' interests, on the other hand they
4 have no choice but to face a position on the other side
5 which is certainly very strong indeed. In that respect,
6 I thought it would have been useful to the Commission,
7 but as I say I bow to your decision.

8 THE CHAIRMAN: If this was the purpose of
9 wanting the statement, if it was for this that you wanted
10 to establish - and I am talking I think for my two
11 colleagues also - I should say that the power of the
12 Shipping Federation members is not comparable with
13 what can be the power of the pilots. They are big
14 companies. If money is the only way to get something,
15 then they could have everything; but that may not be
16 the case.

17 MR. LALONDE: I agree with you in a sense
18 that it is not essential to have the financial state-
19 ment.

20 THE CHAIRMAN: They could certainly raise
21 money if they wanted to, more money than the pilots
22 probably.

23

24 C.T. MEARNS, Recalled

25

26 CROSS-EXAMINATION BY MR. LALONDE CONTINUED:

27 Q. I would like you to refer to the
28 exhibit filed yesterday which gives the dues paid by the
29 members of the Shipping Federation - that is Exhibit
30 929. This shows the dues, effective from January 1st



1 (English)

2 1964, to be two cents per gross registered ton on regular
3 liners up to seven voyages a year and then three cents
4 per gross ton per annum on interprovincial vessels and
5 \$25 per voyage on transient vessels up to seven voyages
6 per year. Is this the charge which is taken on ships
7 which are under charter, or whatever the arrangement may
8 be, with any of your members?

9 A. Yes, these are charges against ocean
10 vessels which are either owned or operated or
11 represented by our members.

12 Q. And this would apply, for instance, to
13 your members in Halifax or St. John?

14 A. Yes.

15 Q. Would the charge be the same for, let
16 us say, a liner going to Halifax as a liner going to
17 Montreal in this respect?

18 A. Yes, that is a uniform charge for all
19 regular liners at eastern Canadian ports - Halifax,
20 St. John, Quebec, Montreal and so on.

21 Q. We talked about St. John and Halifax.
22 Are your members all of the agents which are in
23 operation in Halifax or St. John, or the most important
24 ones, or are they a minority?

25 A. No, I would say most of the agents in
26 Halifax are members of the Federation.

27 Q. Would the same apply to St. John?

28 A. Yes.

29 Q. If we were to talk in terms of
30 general tonnage on the east coast, how much would you



1 (English)

2 say your organization would represent? Would it be
3 roughly ninety per cent of the tonnage or ninety-five
4 per cent, or would it be seventy-five per cent?

5 A. Yes, I would say it would be very close
6 to that figure - ninety to ninety-five per cent.

7 Q. That is ocean-going, deep sea?

8 A. That is true.

9 Q. In the report which you have filed as
10 Exhibit 932 there is a long paragraph at page 8 on the
11 events in 1962 in the St. Lawrence River. Then there
12 is a very short paragraph on the Great Lakes where it is
13 said:

14 "With respect to Great Lakes Pilotage
15 during 1962, the second year of
16 pilotage operations under the
17 regulations adopted by the Canadian
18 and U.S. Governments in 1961, pilotage
19 services throughout the Lakes were
20 administered in a satisfactory manner.
21 Public hearings were held in Washington
22 in June 1962, when certain amendments
23 to the tariffs were reviewed, and
24 subsequently adopted."

25 You were referring to increases in tariffs in the Great
26 Lakes at the time, at the end of 1962 or the beginning
27 of 1963?

28 A. And certain revisions in the pilotage
29 arrangements in the Great Lakes.

30 Q. Yes, but as far as tariffs were



1 (English)

2 concerned, these were increases in the tariffs?

3 A. Yes.

4 Q. Do you remember what percentage
5 increases these represented in tariffs on the Great
6 Lakes for the districts when there was an increase?

7 A. No, I do not remember that.

8 Q. Is it not true that in District No. 2,
9 for instance, you had a forty per cent increase last
10 year?

11 A. I would have to refer to our records.

12 Q. I notice your report states that
13 finally an agreement was reached between the Minister
14 and the pilots, despite strenuous opposition of the
15 Federation and other shipping interests, on the basis
16 of tariff increases which were in excess of ten per
17 cent with, in exchange, an undertaking on the part of
18 the pilots not to request further increase for a period
19 of three years. Would you say that approximately ten
20 per cent of the tariff over a period of three years is
21 a fairly good settlement for the Shipping Federation for
22 such a long period -- and all the more since this
23 applied only to three districts out of five, that is
24 Cornwall, Montreal Harbour and Montreal River, leaving
25 the Quebec and Kingston Districts?

26 A. What was the question, Mr. Lalonde?

27 Q. The question was: Do you not think
28 that this was a pretty fair settlement to shipowners?

29 A. It is a ten per cent increase.

30 Q. For three groups only out of five and



1 (English)

2 covering an undertaking for no increase in the tariff
3 for a period of three years. Would you not say that
4 provided shipowners with security as to what the
5 situation would be for the next three years? At the
6 same time, the increase in cost which it did represent
7 was not so substantial since one of these three
8 districts, for example, is only Montreal Harbour, which
9 has sixteen pilots, and that ten per cent increase in
10 cost of operation over a period of three years is
11 probably less than the increase in all your other costs
12 in the operation of the business?

13 A. It gave, as you say, stability for
14 three years to the shipping industry. I do not know
15 whether you might have to look at that ten per cent in
16 relation to other increases that went before it.

17 Q. I am asking in terms of a settlement for
18 a three year period. I am referring to your exhibit.

19 A. On the face of it it would appear to
20 be reasonable.

21 MR. LALONDE: Thank you, Mr. Mearns.

22
23 CROSS-EXAMINATION BY MR. LANGLOIS:

24
25 Q. Mr. Mearns, I wish to refer you to
26 Appendix 1 of your brief, which is a list of the member-
27 ship of your organization. Am I correct in interpret-
28 ing this list in stating that the only members of your
29 association are those listed in the second column of
30 this appendix?



1 (English)

2 A. Yes, that is true.

3 Q. Am I correct in interpreting this list
4 in saying that necessarily your members are not ship-
5 owners?

6 A. No, some of them are shipowners in
7 their own right and others represent other shipowners,
8 as agents. You will see by going down the second
9 column that the name is repeated in some cases; the
10 steamship owner is on the left and the same name is in
11 the centre column. Those are actual shipowners them-
12 selves. A great many shipowners, of course, have to
13 use agents here in Canada.

14 Q. For example, let us take the name of
15 one of your members, Quebec Terminals Limited. I know
16 that their main operation is stevedoring. I know they
17 own no ships but still they are members of your
18 Federation.

19 A. They are steamship agents and they
20 represent the Lauritzen Lines.

21 Q. If tomorrow morning the Lauritzen
22 Lines should choose another agent, would Quebec
23 Terminals automatically cease to be a member of the
24 Shipping Federation?

25 A. There is another thing that would have
26 to be considered too; the Quebec Terminals represent
27 other vessels as well as Lauritzen.

28 Q. But they are listed here as represent-
29 ing only one company?

30 A. These are the liners, but there are



1 (English)

2 tramp vessels too.

3 Q. For the sake of argument, let us assume
4 that Quebec Terminals, or any other member in your list
5 here, represents only one shipowner at a time and that
6 tomorrow it ceased to be agent for that shipowner.
7 Would he automatically cease to be a member of the
8 Shipping Federation?

9 A. That would be a matter for the decision
10 of our Executive Council.

11 Q. I come to another name in your list of
12 members, Lawes Shipping Co. Ltd, representing a line
13 which is Lawes Shipping Co. Ltd. According to my
14 information, Lawes Shipping does not own any ship.
15
16
17
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30



1 English

2 A. That is true. Lawes Shipping, actually
3 they have ceased to be members now. This is the 1962
4 report.

5 Q. I have another name here, the North
6 American Shipping Agency Limited. Does that agency
7 still exist?

8 A. Yes.

9 Q. Am I correct in assuming in looking at
10 this list that the members of your Federation, while
11 acting as such and voting in your meetings, do not
12 necessarily represent the ship owners?

13 A. I would not say that they do not represent
14 the ship owners.

15 Q. "Necessarily", I said.

16 A. Well, all our members represent the ship
17 owners or operators in one form or another.

18 Q. Do you mean to say that before they cast
19 a vote on matters dealing with shipping they get a
20 mandate from the ship owners whom they are supposed to
21 represent?

22 A. They do not get a mandate for every
23 meeting; but the agents report to their principals
24 abroad as to what is happening, the things that are
25 being discussed, and then they come to our meetings
26 prepared to discuss the matter as wished by their
27 principals abroad.

28 Q. Is it not a fact that when your Federation
29 recommended that it be consulted on pilotage matters,
30 they are not asking to do so necessarily as representatives



1 English

2 of ship owners?

3 A. No, I would not agree with that. They
4 are representing ship owners.

5 Q. But it could happen that one of your
6 members would merely cast his vote as an agent but not
7 necessarily as a ship owner?

8 A. Yes. Many of these members are agents,
9 but they represent owners and operators of vessels
10 abroad.

11 Q. Has your organization any affiliation
12 with the Vancouver Chamber of Shipping?

13 A. No, we are not affiliated, but we keep
14 in touch with the Shipping Federation of B.C. in
15 Vancouver on various matters, particularly shore labour.
16 Then there is also the Vancouver Chamber of Shipping
17 which we keep in touch with.

18 Q. I do not know if this question was asked
19 of you, Mr. Mearns, but does there exist any affiliation
20 between your organization and the Dominion Marine
21 Association?

22 A. No, there is no affiliation.

23 Q. Could one for example be a member of
24 the Dominion Marine Association and at the same time
25 be a member of the Shipping Federation of Canada?

26 A. Yes, it could be.

27 Q. I see for example that you have in your
28 list of membership McAllister Towing Limited as a fully-
29 fledged member. Are they users of pilotage services?

30 A. I am not sure if they use pilots if they



1 English

2 are taking tows up through the Seaway. I am not sure
3 of that.

4 MR. BRISSET: I could supply the information,
5 My Lord. They do not use pilots when they render
6 tug services in the Harbour of Montreal, but when they
7 tow vessels up and down the river or up the Seaway they
8 have been using pilots. That came up in the Montreal
9 first sittings when the question of two pilots being
10 put on board the tug was discussed.

11 MR. LANGLOIS: Q. I am confirming this fact
12 that this company uses pilots when they use tugs and
13 tows on the river. But as a rule they do not?

14 A. Not in the harbour towing services, no.

15 Q. So when you have suggested or are
16 recommending that your organization has its say in the
17 pilotage organization in Canada, at the same time you
18 could have members who are not users of pilotage services;
19 it is a possibility?

20 A. Yes.

21 MR. LANGLOIS: That is all. Thank you, sir.

22 THE CHAIRMAN: If I understand well the
23 procedure, it is a question about a member who would
24 not represent any ship owner -- in some circumstances
25 no longer representing the ship owner and who would not
26 own ships himself. This maybe could be possible. I do
27 not know whether I understood very well the regulations
28 and the by-laws. This could be possible, but this man
29 would be in a very awkward situation because the voting
30 according to the by-law goes by tonnage and the payment



1 English

2 of dues also.

3 MR. BRISSET: My Lord, if I may clarify this
4 question with the witness I think we might have the
5 answer.

6 Mr. Mearns, is it not possible for an operator
7 of a ship here, a Canadian firm, to become a member of
8 the Federation simply on the basis of the tonnage
9 chartered by that company even though it does not own
10 itself any ships?

11 THE WITNESS: Yes, exactly; chartered tonnage
12 as far as Federation membership is concerned would be
13 the same as own tonnage.

14 MR. LANGLOIS: Q. In this respect, Mr. Mearns,
15 let us take for example Furness Withy and Company Limited;
16 do they pay their dues on the basis of the tonnage of
17 all the companies that are listed there?

18 A. If those ships come to eastern Canadian
19 ports.

20 Q. Am I to understand that the dues are
21 collected only on the tonnage which actually calls on the
22 eastern coast ports of Canada?

23 A. That is true, including of course Montreal
24 and the St. Lawrence.

25 Q. For example would they pay dues on
26 ships calling exclusively in the maritime ports of
27 St. John and Halifax without coming up to Montreal or
28 Quebec?

29 A. Oh, yes.

30 Q. In this case would it be possible that



1 English

2 you would have a member sending ships only to Halifax
3 and St. John harbour ports but, as being a member of
4 your Shipping Federation, although they are not users
5 of pilotage services, they could have their say in
6 your policy on pilotage?

7 A. Yes, there I might point out that these
8 liners that call at Halifax or St. John, N.B. and
9 then at Montreal, very few of them confine their calls
10 only to Halifax or St. John. Most of them make their
11 call at these maritime ports in the winter months and
12 they come to Montreal and the St. Lawrence ports in
13 the summertime.

14 MR. LANGLOIS: Thank you.

15 COMMISSIONER SMITH: I am looking at Appendix
16 49 entitled "Pilots" at page 138 in your brief, and
17 I find on page 8 of this appendix:

18 "It is the opinion and
19 recommendation of the Shipping
20 Federation of Canada Inc., that
21 a system of dealing with the
22 pilotage situation should be
23 evolved which would:

24 1. Pay the pilots thoroughly
25 and adequately in relation
26 to their competence and the
27 service performed.

28 2. Remove, permanently, as a
29 subject of discussion with
30 pilots, the tariffs which



1 English

2 are to be applied to the
3 shipping industry".

4 Then a little further down on the same page
5 it says:

6 "Matters of tariffs service
7 charges and other assessments
8 against the industry would be
9 worked out between the Commission
10 and representatives of the shipping
11 industry."

12 Was it the intention to confine it to those
13 two excluding all others?

14 THE WITNESS: I think that what that meant
15 was that the pilotage tariffs would be made and
16 negotiated or discussed with the shipping industry and
17 the pilotage authority, not with the pilots.

18 COMMISSIONER SMITH: Yes. The way I read
19 that it did not convey exactly that same shade of
20 meaning, but I will accept your answer.

21 MR. JACQUES: What is the percentage of your
22 membership residing in Montreal or vicinity?

23 THE WITNESS: I suppose possibly between two-
24 thirds and three-quarters.

25 MR. JACQUES: Between two-thirds and three-
26 quarters. When you convene meetings does it happen
27 that out of town membership is present?

28 THE WITNESS: Not very often, because the
29 members at Halifax or St. John -- it is such a long
30 way for them to come up here to Montreal for the meeting.



1 English

2 Sometimes the meetings have to be called rather quickly.

3 Occasionally they do come up, but usually it is the

4 local members here attending most of our meetings.

5 MR. JACQUES: Thank you.

6 MR. BRISSET: In the case of St. John and

7 Halifax they have, I understand, sub-committees of the

8 Shipping Federation sitting there and reporting to the

9 main office here?

10 THE WITNESS: That is true. We have what we

11 call steamship committees at Quebec and at St. John,

12 Halifax and also at Toronto, who are more or less

13 branches of the Shipping Federation of Canada. They

14 look into local problems that arise from day to day

15 and report to the Federation. In reverse we send out

16 things if we want them to look into something.

17 MR. BRISSET: In other words there is

18 consultation and coordination between the committees

19 in the various out-ports (if I may use this expression)

20 and the central committee in Montreal?

21 THE WITNESS: That is correct.

22 MR. BRISSET: Mr. Mearns, there is one

23 activity of the Shipping Federation that I failed to

24 mention this morning, if I may be permitted to add it on.

25 I understand that yourself as general manager

26 and the previous general manager before you and three

27 members of your Federation do act as trustees along

28 with four representatives of the International

29 Longshoremen's Association in charge of the

30 administration of the trust funds represented by the



1 English

2 contributions of the employers in the five ports of
3 Montreal, Quebec, Three Rivers, St. John and Halifax,
4 for the purpose of granting or giving pension, welfare
5 and vacation benefits to the eligible employees is
6 this correct?

7 THE WITNESS: Yes, that is absolutely correct.

8 MR. BRISSET: And that entails meetings, I
9 suppose, over the year?

10 THE WITNESS: Yes, there are meetings each
11 year. They vary from year to year, but there are a
12 number of meetings each year.

13 MR. JACQUES: Are members of the Shipping
14 Federation paid directly or indirectly for their
15 attendance at meetings or for their work on committees?

16 THE WITNESS: No, sir.

17 COMMISSIONER RENWICK: Might I ask, following
18 the second last question, what is the source of that
19 fund that is administered for welfare?

20 THE WITNESS: The fund is made up of contributions
21 by the employer companies, companies that employ
22 longshoremen and other workers at those five ports.
23 Every week a copy of the payroll is sent into the
24 Central Records Bureau here. At the present time, or
25 for last year it was 29 cents per hour worked.

26 MR. BRISSET: Per man hour worked?

27 THE WITNESS: Per man hour worked. These
28 monies are then divided into three funds. There is a
29 pension fund, a welfare fund and a vacation fund.
30 The trustees; there are four I.L.A. trustees and four



1 English

2 employer or Shipping Federation trustees. They administer
3 these funds and there is a staff in the Central Records
4 Bureau that actually does the recording work. The
5 pension trust funds provide pensions to retired I.L.A.
6 members after 65 or, in the case of a man who was
7 disabled before that, they get pensions at 45. The
8 funds pay welfare benefits, life insurance and
9 hospitalization and so on. Then there is the vacation
10 pay.

11 COMMISSIONER RENWICK: Do I understand, then,
12 that that is a non-contributory fund?

13 THE WITNESS: That is a non-contributory fund.
14 The contributions are made by the employers only.

15 CROSS-EXAMINATION BY MR. LALONDE:

16 Q. Is this the fund about which there has
17 been trouble during the last longshoreman's strike, on
18 which Judge Lippe, I understand, is sitting at the
19 present time?

20 A. That is right, yes.

21 Q. I asked a question of Captain Matheson
22 which he was not in a position to answer; neither was
23 I, neither was my friend Mr. Brisset. I never had
24 time to look it up.

25 Do you know whether your by-laws have been
26 filed with the Secretary of State of Canada, or whether
27 you are required to file them in any way?

28 A. These by-laws were made up many many
29 years ago. The Federation is incorporated under
30 the Federal Act of Parliament.



1 English

2 Q. You had revisions in 1954 and 1957?

3 A. Yes. I am not too sure if we did file
4 with the Secretary of State; I am not too sure of that.

5 MR. BRISSET: I thought we were to get a
6 legal opinion today, My Lord -- free.

7 MR. LALONDE: I did not spend enough time at
8 my office last night, My Lord.

9 Q. I notice there is the title "Private
10 and confidential" in this document 903-~~eract~~ of
11 incorporation and by-laws. I notice also there is some
12 correspondence, Exhibit 912, between Captain Matheson
13 and Mr. Cumyn of the St. Lawrence-Kingston-Ottawa
14 pilotage district.

15 Is this a current technique, using the
16 expression "confidential" on almost any document even
17 of an official nature, or should we assimilate this
18 expression to the one used in External Affairs, where
19 "top secret" is the weather report or something like
20 that?

21 Is there any policy in this respect, because I
22 must say I was most surprised to see the expression
23 "confidential" used on official correspondence between
24 the Shipping Federation and the Department of Transport?

25 A. I would not say there was any policy
26 but at the time there may be some reason that it was
27 felt it would be better to write under confidential cover
28 at that moment. That is the only thing I can think of.

29 --

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30

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1 English

2 Q. Has there been, to your knowledge, a
3 general practice that your correspondence with the
4 Department of Transport in the field of pilots is
5 confidential?

6 A. No, I wouldn't say so.

7 Q. What was the purpose of writing a
8 letter with the title "Confidential" on it to the
9 Director of Marine Regulations? I will show you
10 Exhibit 912 -- with a copy to Mr. Mahoney and Mr. J.
11 Fisher, Canadian Shipowners Association, and concerning
12 the St. Lawrence, Kingston, Ottawa district in 1959,
13 in which your organization was suggesting certain
14 particular steps to be taken?

15 A. I don't recall any reason for it. As
16 a matter of fact, I think I was overseas at that
17 particular time, I believe.

18 CAPTAIN MATHESON: I can clear this up.
19 It was really to give the letter an air of importance
20 to make sure that the Department will read it.

21 MR. LALONDE: I suppose the same applies
22 to the bylaws and the Act of the Shipping Federation,
23 so that your members will read it when they receive
24 it!

25 THE CHAIRMAN: Are there any further
26 questions?

27 --- (No answer).

28 Well, thank you very much.

29 MR. MEARNS: Thank you.

30 THE CHAIRMAN: I am looking at the Shipping



1 English
2 Federation Bylaws and the two first sheets and the
3 Statutes of Canada -- 3 Edward VII, Chapter 190. Does
4 this mean that the old statute is reproduced here, or
5 that something was left out of it? Because after
6 "Objects of Federation" there is nothing more.

7 I wonder if you could find there the answer
8 to our query?

9 MR. BRISSET: I am sorry, I haven't under-
10 stood your Lordship's question. Statutes of Canada, 3,
11 Edward VII, Chapter 190...

12 THE CHAIRMAN: This looks as though it were
13 a reproduction of the law which granted the incorporation,
14 but I am wondering if it is complete, because it stops
15 at paragraph 6.

16 MR. BRISSET: Yes. Mine is more up to date
17 than that.

18 MR. LALONDE: I have been provided with a
19 copy which my friend, Mr. Brisset, provided me with a
20 few weeks ago on a private exchange basis.

21 MR. JACQUES: The official exhibit is the
22 same as the copy you now hold, My Lord. I can't help
23 my friend.

24 THE CHAIRMAN: We will check on that.

25 MR. BRISSET: If your Lordship will permit
26 me at the adjournment to check that. It may have
27 happened in the printing or the binding that a sheet
28 was left out.

29 THE CHAIRMAN: I was trying to find out
30 whether it was controlled by the Government.



1 English

2 MR. BRISSET: We will check with the
3 Statute.

4 THE CHAIRMAN: Yes; we could find the
5 answer there.

6 MR. BRISSET: My Lord, before Mr. Colley
7 proceeds to the box I would like to file two documents.

8 The first one is a copy of a letter dated
9 January 26, 1959, addressed by Captain Jones to Captain
10 Matheson, convening a meeting of the local committee in
11 connection with the investigation of an accident.

12 We have not been able, My Lord, to find other
13 similar letters, but we will be making a further search.

14 MR. JACQUES: I don't believe my friend
15 should take all this trouble. He could file this
16 before the Commission in Ottawa.

17 THE CHAIRMAN: In any event, we have a file
18 on this one. We will put it in in this one instance.

19 --- EXHIBIT No. 933: Copy of letter, dated
20 January 26, 1959, from
21 Captain Jones to Captain
22 Matheson, convening a
meeting of the local
committee in connection with
the investigation of an
accident.

23 MR. BRISSET: I would like to file, as
24 Exhibit 934, a copy of the minutes of the Technical
25 Committee referred to in Captain Matheson's examination
26 this morning, dated April 12, 1962.

27 I would like to point out to the Commission
28 that, contrary to the recollection of Captain Matheson,
29 who wasn't too sure of the point, there were two
30



1 English

2 representatives in attendance, at one stage of the
3 meeting, of the Department, namely, Mr. Land who, I
4 believe, is connected with the Shipping Branch, and
5 Captain Jones.

6 If it is felt that Captain Matheson should
7 go back on the witness stand...?

8 MR. LALONDE: We will read it first, My
9 Lord.

10 --- EXHIBIT No. 934: Copy of minutes of
11 meeting of Technical
12 Committee, dated April
13 12, 1962.

14 MR. BRISSET: My Lord, in connection with
15 the last exhibit I am asked by counsel for the Commission
16 to file the minutes of the meeting of the previous day
17 forming the Technical Committee.

18 THE CHAIRMAN: As an annex to Exhibit 934?

19 MR. BRISSET: As an annex.

20 (attached to Exhibit No.
21 934 - minutes of the meeting).

22 HERBERT COLLEY, sworn

23 DIRECT EXAMINATION BY MR. BRISSET:

24 Q. Mr. Colley, will you state with what
25 company you are connected?

26 A. I am President of Colley Motor Ships
27 Limited.

28 Q. Will you give us an outline of your
29 background in the shipping industry, very briefly?
30



1 English

2 A. Well, I started in the shipping business
3 when I finished school approximately 30 years ago.

4 I started with Canadian Pacific Steamships, working in
5 the office of the managing director first as a junior
6 clerk and later as secretary to the managing director.

7 At the outbreak of the war I was transferred,
8 or loaned, to the British Ministry of Shipping, which
9 later became the Ministry of War Transport, until the
10 early part of 1942, when I joined the Air Force and
11 served as a pilot -- but that is not the same kind of
12 pilot as we are talking about now -- until the latter
13 part of 1945. I returned briefly to Canadian Pacific
14 Steamships, and in 1946 I moved to Saguenay Terminal,
15 as it was in those days -- Saguenay Shipping, today --
16 and spent about a year and a half with them in their
17 operating department, when I transferred my position
18 to Kerr Steamships who were just at that time opening
19 in Montreal -- this is 1947 -- and I served with them
20 for 11 years, being assistant manager in the early days
21 and, at the time I left, I was Vice-president and
22 director of the company. In 1958 I left Kerr to form
23 my own business, and that is where I am today.

24 Q. Would you give us a brief outline of
25 the activities of your company, as to what type of
26 business activity insofar as shipping is concerned that
27 the company is involved in?

28 A. It is mainly an agency business. We
29 represent several lines of various nationalities, both
30 on a liner basis, and I also represent quite a number on



1 English

2 a tramp basis, particularly Norwegian, Swedish and
3 German owners.

4 Q. Now, I believe in your previous testimony
5 you had also indicated that on occasion you would charter
6 vessels? Will you expound on that?

7 A. No; I think my testimony was in respect
8 to making charter fixtures; in other words, on behalf
9 of our principals I might fix a cargo for them for their
10 vessel.

11 Q. Insofar as the Shipping Federation of
12 Canada is concerned I understand that your company is
13 a member?

14 Q. Yes.

15 Q. And that you are the representative of
16 your company?

17 A. Yes.

18 Q. And also that you have been appointed
19 the Chairman of the Pilotage Committee of the Federation;
20 and in this regard perhaps you would tell us when you
21 were so appointed?

22 A I believe it was in 1960, although
23 actually I more or less inherited this in 1959. My pre-
24 decessor as Chairman was Mr. J.P. Boyle, and he was
25 rather ill in the early part of 1959, and I took over at
26 that time; although it was only after his death in 1960
27 that I was officially made Chairman of the Pilotage
28 Committee.

29 Q. And you have been chairman ever since?

30 A Yes.



1 English

2 Q At the time you last testified before
3 this Commission, having been called by counsel for the
4 Commission, you were asked to produce certain documents,
5 and I would like you first of all, to file as Exhibit
6 935, a copy of the Chartering Annual for 1962 of
7 Maritime Research Inc.; and perhaps you might just
8 give to the Commission a few words of explanation on
9 what this document or this booklet is?

10 A. Yes. Actually, I had mentioned, I
11 think, in my previous testimony that there were several
12 types of publications which give information on
13 chartering fixtures of all kinds, and this one is, I
14 think, probably the best one to give a representative
15 idea, as it represents all of the chartering fixtures
16 for one year -- the year 1962.

17 1963 is just about to be published, if the
18 Commission would be interested in a more up-to-date
19 one, but I think this gives the general idea. It
20 lists, for example, by classification, all grain
21 fixtures from the principal grain-loading ports in the
22 world to the principal discharging ports; the same
23 with coal and sugar and lumber and other basic
24 commodities. It gives lists of the time charter
25 fixtures, and it also has a separate section on tanker
26 fixtures; this, combined with some graphs indicating
27 the indices of the chartering industry, is the Dow
28 Jones of all charter rates.

29 COMMISSIONER RENWICK: Where is it
30 published?



ANGUS, STONEHOUSE & CO. LTD.
TORONTO, ONTARIO

Colley dir-ex.
(Brisset)

12883

1 English

2 THE WITNESS: It is published in New York
3 -- by Maritime Research in New york.

4

5

6

---Exhibit 935: Copy of Chartering
Annual for 1962,
published by Maritime
Research Inc.

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1 (English)

2 Q. And it covers fixtures all over the
3 world?

4 A. Yes.

5 Q. You were also asked to file a sample of
6 this publication called Westinform Weekly Market Service,
7 and I would like you to file one for the week ending
8 29th December 1962 as Exhibit 936, and perhaps you could
9 outline to the Commission what this publication is and
10 what it is intended to achieve?

11 A. Yes.

12

13 ---EXHIBIT NO. 936: Westinform Weekly Market
14 Service for week ended
December 29th, 1962.

15

16 THE WITNESS: This is a weekly bulletin
17 which reports the fixtures of the previous week and also
18 indicates inquiries that may be on the market and a
19 general market summary of conditions in the chartering
20 trade. In a way it gives similar information to the
21 other document that I have submitted. The other one
22 really is more complete and concise but this may be of
23 interest as indicating a type of weekly advice on the
24 charter market.

25 MR. LALONDE: Would you also have one for
26 the end of December 1963?

27 THE WITNESS: No, I do not subscribe to
28 this myself, I obtained it from another member of the
29 Federation, but if you were particularly interested in
30 one given issue we could probably obtain it.



1 (English)

2 Q. You have collected a bulletin for
3 1962 because the Annual Index was for 1962 and the two
4 could go together in the same year?

5 A. Yes.

6 MR. LALONDE: If possible I would like you
7 to get the 1963 one because I would be interested in
8 having the Index of 1963.

9 MR. BRISSET: It is not published yet.

10 MR. LALONDE: In the Westinform.

11 THE WITNESS: In the Westinform, yes; that
12 is for the end of 1963, you say?

13 MR. LALONDE: Yes, preferably and if possible.

14 Q. Mr. Colley, in the course of your
15 evidence on October 1st 1963 you were also asked to
16 work on statements that would be useful in giving an
17 idea of pilotage charges incurred by a vessel on a trip
18 from Point A to Point B within the St. Lawrence and
19 Great Lakes Basin. So that these charges could be
20 compared with other types of charges I would like you
21 to file now as Exhibit 937 the statements which you have
22 thus prepared altogether, subject of course to your
23 giving us explanations of how they have been prepared
24 and what they intend to show?

25 A. Yes.

26 ---EXHIBIT NO. 937:

Statements showing specimen
disbursement accounts for
vessels of various tonnages,
en liasse.

27
28
29
30 Q. Mr. Colley, with which do you wish to



1 (English)

2 start? Tell us the one with which you will start and
3 give us your explanation?

4 A. I think perhaps following along the
5 previous testimony I should take this voyage, the
6 inward and ballast to Duluth and outward with grain from
7 Duluth to Montreal.

8 Q. Let us give that a sub-number and
9 call it Exhibit 937-1.

10 A. All I would want to say on this is
11 that I think the way in which we came to discuss this
12 particular item on a previous occasion was through an
13 inference that pilotage was not a very important item
14 or it was insignificant. While we have never felt that
15 it was, I must say that when we got down to doing an
16 analysis of voyages - and we have had quite a number
17 done by other companies as well - we were truly amazed
18 to find out what a very large proportion it is, and in
19 this particular example you will notice that pilotage
20 represents 46 per cent of the total port charges.

21 Q. Mr. Colley, I would like you to take
22 the first statement to which we have given the number
23 937-1 "Specimen Disbursement Account, Vessel of 6256
24 net registered tons, 11030 gross registered tons. July
25 1963". I would like you to explain what the document
26 means and what it is intended to show?

27 A. It represents all the port charges,
28 that is all those charges which a ship must pay for
29 going into a port or for passing through a particular
30 area, charges which are compulsory and no ship could



1 (English),

2 avoid such charges. I have broken the pilotage charges
3 down separately to indicate the accumulated total of
4 all pilotage charges from Escoumains to Duluth and
5 return to Escoumains to give one single total on this,
6 and then compare this with the total of all port
7 charges. There we arrive at a percentage of 46. I
8 must apologise because I think we should have added to
9 this as an additional point of interest how this
10 pilotage figure works out on a per ton of cargo basis.
11 This was raised recently, I think, by Mr. Smith. I
12 have the figures myself here that I have worked out.
13 This particular vessel, for example, carried 14,813
14 tons of grain.

15 Q. This is an actual voyage?

16 A. This is an actual voyage but perhaps
17 I should also explain that I have not put in the name
18 of the ship. Perhaps it will be appreciated that this
19 is a competitive venture and I do not know that it is
20 entirely fair to have everything made public. I would
21 hope that this information is sufficient, but if it
22 is necessary or should it be required I would be
23 prepared to verify any of these with actual vouchers and
24 so on.

25 Q. These figures are extracted, I take it,
26 from your own vouchers or voyage accounts?

27 A. That is correct, yes.

28 Q. The cost per ton of pilotage in this
29 case works out to 23 cents.

30 MR. JACQUES: Pilotage only or the total?



1 (English)

2 THE WITNESS: Pilotage only.

3 MR. LALONDE: From Escoumains to Duluth?

4 THE CHAIRMAN: From Escoumains to Duluth
5 with ballast and return with grain.

6 Q. For the grain trade coming from lake
7 ports in bulk what is the custom insofar as the inbound
8 voyage is concerned? Is it normal to have a ship come
9 in ballast or is it more often that the cargo will be
10 brought inbound?

11 A. I do not think I could give you an
12 exact proportion. Certainly a lot of vessels do make
13 the voyage in ballast, particularly the new bulk loaders.
14 Also there are many ships that have inward cargoes.
15 It is a fact, of course, that with the bulk loaders
16 there is not very much in the way of basic commodity
17 that moves into the lakes. The movement is an outward
18 one. It is rather unusual. If that point is of
19 particular interest I could probably analyse it better,
20 but I do not know - we have both. We have some ships
21 that come in with cargo and go out with grain and others
22 come in in ballast. A lot, of course, would depend
23 on the market conditions. When the freight rates are
24 good it may pay an owner to make a ballast voyage
25 whereas with a lower rate it simply would not pay.

26 COMMISSIONER SMITH: Mr. Colley, would you
27 have any information on the cost of freighting a ton of
28 grain from Duluth to Montreal? There might not be
29 any such movement so far as the geography is concerned,
30 but in that area of distance.



1 (English)

2 THE WITNESS: There is such a movement.

3 COMMISSIONER SMITH: What would the carriage
4 rate per ton amount to? Do you know?

5 THE WITNESS: I will have to give you what
6 is the best guess I can make. I am not in the domestic
7 end of it but I do understand that last year the rates
8 were as low as eight cents a bushel. If you want to
9 convert that to a ton basis on wheat, it would be some-
10 thing like \$3.20 a ton approximately.

11 MR. LALONDE: This would apply to a lake
12 vessel?

13 THE WITNESS: Yes, this is domestic.

14 MR. LALONDE: And your example refers to
15 deep sea travelling? When you refer to a laker
16 travelling from Duluth to Montreal you refer to a ship
17 with a capacity of how many tons?

18 THE WITNESS: Some of them --

19 MR. LALONDE: Large ones.

20 THE WITNESS: They are up to 30,000 tons
21 in dead weight. I do not know that they can carry that
22 much on the present Seaway draught; they could perhaps
23 do 25,000. I do not know, but it is a very
24 substantial figure.

25 MR. LALONDE: I did hear a figure of
26 25,000 in fact. In that particular case, supposing
27 you take pilots, the cost per ton would be much less
28 than 23 cents. You would be travelling from Montreal
29 to Duluth. Your charges on a per trip basis and not
30 based on tonnage of the ship at all. If you have



1 (English)

2 25,000 tons of cargo to be carried, the cost would not
3 appear as high.

4 THE WITNESS: No, of course not. If you
5 had a 100,000 ton ship it would be less.

6 MR. LALONDE: Theoretically. This is a
7 theoretical example.

8 Pursuing Mr. Smith's question, do you have
9 any idea of what was the cargo rate last year for grain
10 from Duluth - at the end of last year, let us say - in
11 a ship like this from Duluth to wherever it was going?

12 THE WITNESS: This was a voyage to the
13 continent and the rate on this ship was something in the
14 vicinity of \$7.75.

15 MR. LALONDE: That was in July 1963?

16 THE WITNESS: Yes.

17 MR. LALONDE: How was the rate in November?

18 THE WITNESS: Towards the end of the season
19 I would say probably close to \$10 - in that vicinity.

20 Q. Mr. Colley, before we pass on to
21 another statement of yours, there are three points I
22 wish to raise with you. I do not see in the summary or
23 in the list of port charges any item coming from loading
24 or unloading. Is there any particular reason?

25 A. Yes, because I was trying to make a
26 simple comparison that would mean something. If we
27 were to include the loading and discharging costs, we
28 would get into quite a variable. In the first place,
29 it would vary depending upon the quantity of cargo that
30 the ship took; it would vary upon the type of cargo;



1 (English)

2 and it would vary depending where it was loaded. I
3 did not feel that I could get any standard cross-
4 section out of that that would mean anything. If we
5 want to compare different vessels or different voyages,
6 I thought it would be more worthwhile to stick to what
7 are fairly standard and acceptable charges.

8 Q. Would it vary also depending upon ships,
9 the type of ships?

10 A. Of course, very much.

11 Q. In other words, you have for instance
12 self-loaders?

13 A. Yes.

14 Q. Ships that are self-trimmers?

15 A. Yes.

16 Q. And so forth - and others that are not
17 self-loaders and self-trimmers?

18 A. Yes. If you are interested in a
19 comparison there, may I point out that for this
20 particular vessel the cost of loading the grain in
21 Duluth came to 86 cents per ton. This is the cost of
22 loading the grain in Duluth, the cost including every-
23 thing; it is just a straight stevedoring rate and in-
24 cludes overtime, materials and so on.

25 I have another example here of a bulk
26 loader which has approximately the same capacity. This
27 ship actually loaded a little less in Duluth than the
28 example. Her cost of loading was 23 cents a ton, and
29 that was very largely made up of overtime expenses.
30 In other words, basically a bulk loader like this can be



1 (English)

2 loaded for about 5 cents a ton. So you see there is a
3 great variance in loading charges even of a given
4 commodity.

5 Q. The other item that is not included as
6 a port charge is the agency fee. Could you explain why
7 this was not included?

8 A. I did not include agency fees because
9 in a strict definition it is not a port charge; it is
10 more in the nature of a management charge insofar as it
11 is an extension of the ownership services. Furthermore
12 it is another item that has great variance to it.
13 Normally on tramp vessels an agent is compensated by
14 means of a flat agency fee. On liners, on the other
15 hand, the custom is that the agent is paid a commission
16 on the freight. These arrangements can vary consider-
17 ably. There is no set and normal pattern. It was
18 for this reason that I did not think that it was proper
19 to include the agency fee in this particular study.

20 Q. Another item, if I might mention it,
21 that does not seem to be included is that of dues payable
22 to the Shipping Federation. Is there any reason why
23 this is not included?

24 A. Yes, that is not a port charge. The
25 Shipping Federation dues in the first place are not
26 compulsory; in the second place - and I think we had
27 ample testimony this morning of this - the Federation
28 really represents an information service or a collective
29 service for the benefit of shipping in general; it is
30 not associated with any specific service to a specific



1 (English)
2 ship that is arriving in the port of Montreal today.
3 It just happens that this is the way that the owner
4 pays his subscription for the service; it is attached
5 to that ship but it differs from a port charge in that
6 respect. As I say, it is not a compulsory charge so
7 I did not include it. As a matter of fact, I notice
8 in some of the other examples some of the companies
9 have actually included it in their figures, but I did
10 not do so in mine.

11 Q. In any event, I think as we have seen
12 from the dues charged by the Shipping Federation, if
13 the vessel is the third or fourth or seventh one coming,
14 there is no assessment.

15 A. That is right.

16 MR. LALONDE: It never went below six.

17 MR. BRISSET: Perhaps in years past it
18 did.

19 Q. Have you any other comments to offer
20 on statement No. 1?

21 A. No.

22 Q. I would like you to pass to statement
23 No. 2, a specimen disbursement for a vessel of 2695
24 net registered tons and 4714 gross registered tons,
25 August 1963. Will you tell us what this represents?

26 A. This is a general cargo voyage, and
27 of course there are a great many more ports of call
28 particularly in the lakes. This also is an explanation,
29 I think, why the pilotage charges are so much higher
30 here, amounting as they do to slightly more than



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(English)

54 per cent of all port charges.



English

Again, on this one I have just added myself the information that the total cargo that was handled on this vessel inward and outward was 2,779 tons, so in this case the pilotage charges alone represent \$1.20 per ton.

Q. Was that again an actual voyage of an actual ship?

A. Yes, an actual voyage.

Q. And these figures, I take it, are also extracted from your vouchers and voyage accounts?

A. Yes.

Q. Have you any more comments to add on statement No. 2?

A. No, I have not.

Q. Will you pass on to statement No. 3 now -- Specimen of Charges Vessel 1606 net Registered Tons 2333 Gross Registered Tons, July, 1963? Would you explain it to us?

A. This is a small vessel, comparatively small, inwards to Montreal ballast and outward with general cargo. It indicates that pilotage was 46% of the total port charges.

I also looked up the cargo in this one, but I am afraid it is not a very good example because this ship had 71 tons of cargo to load here, so that makes it rather expensive. I do not think that is a good example for cargo. But of course, so far as proportion of pilotage to port charges goes, it is quite a valid example.



1 English

2 Q. You mean 71 tons was the whole quantity
3 of the cargo loaded here?

4 A. Yes.

5 MR. LALONDE: Did you have ships which
6 came without any cargo and went without any cargo?

7 THE WITNESS: Well, you would be amazed
8 sometimes.

9 MR. LALONDE: Have you made a calculation
10 of how much it would cost per ton?

11 MR. BRISSET: Q. Will you pass on to
12 table No. 4 -- Specimen for Charges Vessel 7068 net
13 Registered Tons, 11903 Gross Registered Tons, September,
14 1963?

15 A. Yes.

16 Q. Would you tell us what this represents?
17 I take it it is a much bigger ship?

18 A. Yes, this is. This vessel in fact
19 loaded 16,751 tons of ore. As you can see, the
20 pilotage was 50% of the total of all port charges and
21 I calculated that it also represented 5¢ per ton of
22 cargo.

23 Q. That would be a bulk cargo?

24 A. A bulk carrier, yes; a bulk cargo, yes.

25 COMMISSIONER: SMITH: This was general cargo?

26 THE WITNESS: This was ore.

27 MR. BRISSET: Q. Where was the vessel
28 going?

29 A. To the Continent.

30 Q. Will you pass on to No. 5 and tell us



1 English
2 what this statement represents, as on this sheet there
3 is no heading?

4 A. No. This was not one of my ships.
5 This was submitted by another of the Federation members.
6 You will notice that they were intelligent enough to
7 include the cargo. It is a voyage to the Lakes with
8 general cargo inward and outward.

9 It would appear that pilotage in this case
10 represented 26% of the total port charges and I calculate
11 that on the cargo basis pilotage represented 11¢ per
12 cargo ton.

13 Q. Have you anything more to add on this
14 one?

15 A. No. I notice in this one, I should
16 point out that this varies from the ones I have, because
17 Seaway tolls are in here and I have not got Seaway tolls
18 in mine, have I?

19 Q. Yes you have -- well, when the ship
20 went through the Seaway, not when she went to Montreal.

21 A. Yes, not the cargo tolls. Oh, that is
22 right; this would be the same. That is not the cargo
23 tolls either -- correct.

24 MR. JACQUES: What would be the cargo
25 tolls then?

26 THE WITNESS: The cargo tolls, for general
27 cargo that is 90¢ a ton.

28 THE CHAIRMAN: For going through the Seaway?

29 THE WITNESS: Yes, that is right.

30 MR. LALONDE: Is that all the way through?



1 English

2 If you go to Toronto, for instance, is there a difference?

3 THE WITNESS: Last year there was no
4 difference, but now the tolls in the Welland Canal
5 will be re-assessed this year, so it will make a
6 difference.

7 MR. BRISSET: Q. If they are re-assessed?

8 A. Well, it has been announced that they
9 are going to be re-assessed.

10 Q. When they were in existence what was
11 the rate for cargo tolls in the Welland Canal?

12 A. What was it? four cents, five cents...

13 Q. It was just a few cents?

14 A. Just a few cents, yes.

15 Q. Would you pass on now to statement No. 6
16 and explain what this one means?

17 A. Well, this one also appears to be
18 a general cargo voyage in the Lakes with a total of
19 10,402 tons of cargo. Pilotage appears to represent
20 37% of the total port charges and I calculate that
21 they also represent 23¢ per ton of cargo.

22 MR. LALONDE: That is on about 10,000
23 tons of cargo; is that it?

24 THE WITNESS: Yes -- 10,402. It is on
25 that statement.

26 MR. LALONDE: Yes.

27 COMMISSIONER SMITH: Would you have any
28 illustration to indicate an instance of pilotage on
29 a ton of newsprint in a movement over a specified area?

30 THE WITNESS: I have not myself. I have



1 English

2 not been involved in the carriage of newsprint, but
3 I would think that it could be obtained.

4 COMMISSIONER SMITH: Would you have any
5 on cement?

6 THE WITNESS: No.

7 MR. BRISSET: Mr. Smith, on the question
8 of the movement of newsprint I have made inquiries and
9 I am informed that most of the newsprint moving through
10 the St. Lawrence when moved in bulk is moved by lake
11 vessels. When it is going overseas from ports in the
12 St. Lawrence it is mainly moved in small parcels, not
13 complete cargoes; so it is not possible for the ocean
14 shipping industry to give you figures.

15 I have spoken to Mr. Mahoney of the Dominion
16 Marine Association in this regard and he will let me
17 know if he can furnish figures.

18 COMMISSIONER SMITH: You would not be able
19 to strike an estimate? Well, if they can provide it...

20 MR. LALONDE: I am informed, My Lord, that
21 there are certain agencies who have ships which are
22 chartered carrying newsprint. I think Montreal Ship-
23 ping has some ships which do carry full cargoes of
24 newsprint, not only small parcels.

25 MR. BRISSET: But from Newfoundland to
26 U.S. ports, so that this would not be ---

27 THE CHAIRMAN: On the coast.

28 MR. BRISSET: On the coast.

29 COMMISSIONER RENWICK: I think you will
30 find there are company-owned ships too in the aggregate



1 English

2 owned by the newsprint producers.

3 MR. BRISSET: Yes -- Newfoundland companies.

4 Q. Have you anything more to add in respect
5 of these six statements, Mr. Colley?

6 A. Nothing more in that respect. I
7 would like to mention, as I said before, that I have
8 other examples, quite a number of further ones.
9 If there is any point in reading them or reading out
10 the basic averages, I can do so; but I have not
11 obtained additional copies. These are simply copies
12 that have been submitted by various Federation members.
13 They are on the same pattern as the ones already
14 submitted and they seem to reflect pretty well the
15 same as what we have had.

16 MR. JACQUES: Perhaps they could be supplied
17 to the Commission.

18 MR. BRISSET: Q. In other words, you
19 have satisfied yourself that the information in the
20 other statements will support the examples you have
21 submitted to the Commission?

22 A. Yes, that is right. Of course, we
23 have all of these here and the only thing I was
24 apologizing about was that we do not have additional
25 copies to send around. There is no reason why this
26 information cannot be given to the Commission if they
27 would like to have it.

28 MR. LALONDE: This is information coming
29 from other companies?

30 THE WITNESS: Yes.



1 English

2 MR. LALONDE: I would certainly object
3 because this is no evidence at all. I could prepare
4 a lot of sheets of information. I certainly object to
5 it being filed as part of the record of the Commission.
6 If evidence is going to be adduced on them we should have th
7 individual companies concerned here.

8 MR. BRISSET: My Lord, this work has been
9 done by way of research. If we were to call in all
10 these companies and file all these statements ---

11 MR. LALONDE: The witness is not in a
12 position to say how this work was collected by the
13 individual people or companies concerned.

14 MR. JACQUES: Perhaps he could give an
15 explanation.

16 Did you ask your members to prepare these
17 statements?

18 THE WITNESS: We did, yes.

19 MR. JACQUES: What did you ask them exactly?

20 THE WITNESS: We asked them to provide us
21 with details of total port charges on given voyages and
22 to have a breakdown to classify the pilotage separately
23 so that we could come to a percentage of pilotage to
24 total port charges.

25 MR. JACQUES: Did you give them instructions
26 to choose a particular voyage rather than another?

27 THE WITNESS: No.

28 MR. JACQUES: My Lord, I submit that this
29 information so gathered might be just as valuable and
30 just as admissible as the evidence of any other expert



1 English

2 who might do research work in the field of, say,
3 economics.

4 THE CHAIRMAN: Mr. Lalonde's objection
5 has some merit here because it is more than expert --
6 those are facts. If there is an objection to that,
7 there would be another way to put them in the record,
8 either under the reservation of the objection or to
9 have them supported by affidavits. Of course, with
10 this **you** do not have the opportunity of cross-examination.

11 I think on this question you may discuss
12 that among counsel, look at the ones you have there
13 and you can see whether there are any parts of one
14 that maybe Mr. Lalonde would like to challenge.
15 If they are all satisfactory, then this could be ironed
16 out.

17 MR. JACQUES: Very well, My Lord.

18 THE CHAIRMAN: You will look at that in
19 the adjournment.

20 MR. BRISSET: My Lord, I will now pass on
21 to the continuation of the evidence of the Shipping
22 Federation on the events from 1960 on, but I have
23 noticed from the transcript that when Mr. Colley was
24 heard in October my learned friends had indicated that
25 they would like to cross-examine him on these statements
26 he was going to produce. Perhaps it could be done
27 at this stage rather than a few days from now after
28 the evidence is complete.

29 THE CHAIRMAN: Would you be ready on
30 Monday morning on that?



1 English

2 MR. LALONDE: I certainly could always
3 be ready on Monday morning. I have no particular
4 inclination to cross-examine him right now. Since my
5 friend has started with this witness -- there is no
6 real problem -- he may just as well carry on, if he
7 has no objection, with his direct examination. We
8 can cross-examine then on all these facts.

9 THE CHAIRMAN: That is all right. Mr.
10 Brisset, you carry on on Monday morning with your
11 witness.

12 MR. BRISSET: Yes, My Lord.

13 THE CHAIRMAN: Very well. We will adjourn
14 until Monday morning at 10. o'clock as usual.

15
16 --- Whereupon the hearing adjourned until Monday,
17 February 10, 1964, at the Windsor Hotel, Montreal,
18 Quebec.

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